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STATE OF ALASKA
THE LEGISLATURE

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May, 1985

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

House	Judiciary	4/8/85	1:30 pm
"	"	4/13/85	9:Am
"	"	4/14/85	1: pm

File

A PERFORMANCE REPORT ON THE
DEPARTMENT OF REVENUE
ALCOHOLIC BEVERAGE CONTROL BOARD

January 30, 1984

Commissioner, Department
of Revenue

Robert D. Heath

Deputy Commissioners,
Department of Revenue:

Taxation
Treasury

Bruce M. Botelho
Milton B. Barker

Members of the
Alcoholic Beverage Control Board

Chairman
Member
Member
Member
Member

William K. Smith
Wesley D. Wallace
Donald J. House
E. L. Holloway
Jane C. Perkins

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

JUNEAU, ALASKA 99811

January 30, 1984

Members of the
Legislative Budget and Audit Committee:

In accordance with the provisions of Title 24 of the Alaska
Statutes, the attached report is submitted for your review.

A PERFORMANCE REPORT ON THE
DEPARTMENT OF REVENUE
ALCOHOLIC BEVERAGE CONTROL BOARD

January 30, 1984



Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit

PURPOSE OF THE REPORT

In accordance with the provisions of Alaska Statutes 24.20.271(1) and 44.60.050 (Sunset legislation) an examination of the Alcoholic Beverage Control Board was conducted to determine if the Board has been operating in an efficient and effective manner and if the Board should be reestablished.

As required by legislative intent, this report should be considered during the legislative oversight function in determining if the Alcoholic Beverage Control Board should be reestablished. Per the 1983 amendment to AS 44.66.010(A)(1), the Board is scheduled to terminate on June 30, 1984.

ORGANIZATION AND FUNCTION

The Alcoholic Beverage Control Board (hereinafter referred to as the ABC Board or the Board) was established in 1959 by Title 4 of the Alaska Statutes as a regulatory, quasi-judicial agency. The Board is vested with the powers, duties, and responsibilities for the control of alcoholic beverages, including the power to propose and adopt regulations, and to hear appeals.

Members are appointed for three-year terms by the Governor and serve at his pleasure subject to confirmation by the Legislature. Membership is limited by statute to five persons (two liquor industry representatives, three non-industry representatives). A director, also appointed by the Governor, serves as executive officer and is responsible for enforcement of Title 4 liquor laws and regulations developed by the Board. Although he is not a member of the Board, the director may cast a tie-breaking vote. Under the direction of the Board, the director may issue, renew, transfer, revoke or suspend licenses or permits.

Title 4 prescribes the type of licenses, fees, and specific activities allowed under each license classification (see schedule of license types and fees in Appendix C). Fees are payable at the time of application. To renew an already existing liquor license, the application must be filed (and the corresponding fees paid) on or before February 28. On January 1, 1984 the Board adopted emergency regulations to set a moratorium on the issuance of certain new license within the State. The primary purpose of the moratorium is to avail time to the Board to reevaluate its current criteria for license application approvals. This moratorium will be in effect until April 30, 1984.

The staff of the ABC Board is divided into three major functions: administration, licensing, and enforcement. A brief description of the services provided by those functions follows.

Administration. The director of the ABC Board provides all administrative support needed by the Board including overseeing all staff functions, preparing budget documents, and directing the preparation and implementation of administrative and public hearings, and directing special enforcement investigations.

Licensing. The licensing staff currently consists of three full-time employees responsible for issuing and receiving application forms, maintaining records and files for all licenses, collecting fees, issuing all licenses and permits authorized by the Board, and answering inquiries from the general public on routine licensing matters.

Enforcement. The ABC Board currently employs five investigators - three operating from the Anchorage central office, one operating from the Fairbanks field office, and one operating from the Juneau field office. One Anchorage Investigator position is vacant. Services provided include (1) surveillance and inspections of licensed premises, (2) investigations to obtain information to be used in criminal and civil proceedings and investigations into suspected licensing violations, (3) public appearances relating to ABC laws and regulations, and (4) assisting the licensing staff in handling inquiries from the general public.

REPORT CONCLUSION

Policy Issues

This review contains policy issues raised as a result of our evaluation of various Board practices. The final policy decisions affecting those practices are not within the scope of this review but require legislative consideration. In debating these decisions the legislative oversight committees should take into consideration the findings and recommendations presented in this report, so that the potential impact of the policy changes can be evaluated.

Report Conclusions

Title 4 of the Alaska Statutes established the ABC Board to control the manufacture, barter, possession and sale of alcoholic beverages in the State in order to protect the public's health, safety, and welfare. We believe that there is a demonstrated need for this control to continue to exist. In order to operate in a more efficient and effective manner the following recommendations should be implemented:

1. The ABC Board should improve documentation of its enforcement efforts.
2. The ABC Board should strengthen communications with law enforcement officers.
3. The ABC Board should establish procedures to monitor license fee refunds.
4. The ABC Board should improve its activity reporting system.
5. The Department of Revenue should review the ABC Board's transmittal of receipt procedures and establish procedures to transmit funds more efficiently.

FINDINGS AND RECOMMENDATIONS

Recommendation No. 1

The ABC Board should improve documentation of its enforcement efforts.

The ABC Board is mandated by statute to control the manufacture, barter, possession, and sale of alcoholic beverages in the State. When a violation is observed or reported, the ABC Board staff would issue a notice of violation, initiate an investigation, or file a criminal complaint. An enforcement file is maintained by the ABC Board to document actions taken. Our review of these files disclosed weaknesses in the following areas:

Investigations

Upon completion of an investigation by the enforcement staff a written report is prepared. The report is reviewed by the enforcement supervisor and submitted to the Director and/or Board for final action. Our review disclosed that adequate documentation is not maintained on enforcement activity. For instance, 16 of 25 enforcement files reviewed did not contain documentation of final action resulting from the Director and/or Board review. In addition, a review of 25 administrative files maintained by the Director showed that 17 files did not contain documentation of the informal conference held with the licensee and final resolutions made.

In order to improve the efficiency and effectiveness of operations, the ABC Board should implement procedures to ensure files are complete. Enforcement files should contain documentation of enforcement activity from inception to final resolution.

Notice of Violation (NOV)

The ABC Board utilizes an NOV to communicate to licensees that a violation allegedly occurred. NOVs of an by themselves carry no penalty, and present regulations do not require the licensee to respond to the NOV. Our review of 25 NOVs showed only 9 responses were received from licensees.

An NOV or an accumulation of NOVs could lead to the filing of an accusation or could initiate an investigation. In addition, NOVs may be reviewed by the Board in considering whether to suspend, revoke, or renew a license.

To provide for fair and balanced consideration by the Board, Director or enforcement officers, all licensees should be required to provide a written response to an NOV. The response should become a part of the decision on whether or

not additional action is warranted. Consideration should also be given to the assessment of a penalty to the licensee when no response is received after the issuance of an NOV.

Recommendation No. 2

The ABC Board should strengthen communications with law enforcement officers.

Our review of the ABC Board's law enforcement activities showed that the staff relies primarily on the services of local law enforcement officers to aid in enforcing liquor laws. To promote local enforcement, annual license fees, excluding wholesale fees, collected from licenses issued within a municipality are refunded semi-annually to the municipality.

Total license fees refunded to 40 municipalities in Fiscal Year 1983 was \$809,980. According to the ABC Board staff, they are unsure of what services are provided by several municipalities. No reports have been submitted by 20 of the 40 municipalities.

Alaska Statute 04.11.610(b) states that if the officers of a municipality fail to actively enforce local ordinances, laws of the United States and the State, and the regulations relating to the manufacture and sale of alcoholic beverages, the Commissioner of Revenue may deny the refund, until the Board finds the enforcement of the ordinances, laws and regulations is resumed. Alaska Statute 04.11.610(c) also provides for the recovery of any amount erroneously refunded.

As of January 1984, the ABC Board implemented procedures to monitor the number of reports received from law enforcement officers. We encourage the Board to continue this effort. In addition, the Board should review its enforcement requirements and inform all municipalities of the types of reports and/or services expected from each to ensure liquor law enforcement.

Recommendation No. 3

The ABC Board should establish procedures to monitor license fee refunds.

If an application for an alcoholic beverage license or permit is denied by the ABC Board, the applicant is required by Board procedures to submit a claim for a refund of the license fee paid. Upon receipt, the claim is reviewed and endorsed by the ABC Board's staff. The claim is then forwarded to the Department of Revenue for processing.

Recommendation No. 5

The Department of Revenue should review the ABC Board's transmittal or receipt procedures and establish procedures to transmit funds more efficiently.

Revenues collected by the ABC Board consisting of application and license fees are deposited approximately once a week in a non-interest bearing bank account. Due to staff limitations and time allotted for bank verification, a check for the amount deposited is not prepared until several days later and forwarded to the Division of Treasury.

A review of the ABC Board's bank statements showed that the average monthly balance for Fiscal Year 1983 was \$87,828. Interest income is lost as a result of transmittal delays by the ABC Board. The Department of Revenue should establish procedures to have funds wire transferred to the Division of Treasury upon deposit or authorize the establishment of an interest bearing depository account to be maintained by the ABC Board.

ANALYSIS OF PUBLIC NEED

Limited Analysis

The following analysis indicates both positive and negative attainments of the ABC Board and how its activities relate to the public need factors defined by AS 44.66.050. This analysis is not intended to be comprehensive in nature.

I. The extent to which the board, commission or program has operated in the public interest.

Public protection gained through licensing to control the manufacture, possession and sale of alcoholic beverages has been adequately provided by the ABC Board. However, operational efficiency and effectiveness should be improved. See Recommendations 1 through 5 of this report.

II. The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personal matter.

The 1980 revisions to Title 4 have, for the most part, been beneficial to the operation of the ABC Board. However, those sections which deal with suspension and revocation of licenses and permits place severe restrictions upon the ability of ABC to suspend and revoke licenses for the illegal act of licensee employees.

The Board is also restricted in meeting its statutory responsibilities in protecting the public health, safety and welfare by the size of the enforcement staff which consists of one agent in Juneau, one in Fairbanks and three, including a supervisory agent in Anchorage. Including the supervisory agent, there are only five agents with inspection and enforcement responsibilities for 1,513 licensed premises. However, one other Anchorage Investigator position is vacant.

III. The extent to which the board, commission or agency has recommended statutory changes which are generally of benefit to the public interest.

The last major revisions to Title 4 of the Alaska Statutes were the result of action by the 1980 session of the Legislature. The ABC Board participated in the process of developing those revisions.

- IV. The extent to which the board, commission or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.

The ABC Board has met an average of ten times during 1982 and 1983. During each year they have met at least once in each of the four judicial districts. Each meeting has been adequately advertised and open to all interested persons. Staff of the ABC Board are located in Anchorage, Juneau and Fairbanks and are available to answer inquiries of the general public during all normal business hours. We believe this has provided an adequate forum for allowing public input on Board regulations and decisions.

- V. The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.

As noted in IV above, the Board has provided an adequate forum for obtaining input from the public.

- VI. The efficiency with which public inquiries or complaints regarding the activities of the board, commission or agency filed with it, with the department to which a board or commission is administratively assigned, or with the office of the ombudsman have been processed and resolved.

As noted in past reviews the number of formal hearings continue to be few in number. However, the ABC Board has the authority to hold its own hearings on protests which it exercises as a part of its regularly scheduled meetings. Hearings in this manner have been accomplished in a timely manner since the Board meets at least ten times each year.

- VII. The extent to which a board or commission which regulates entry into an occupation or profession has presented qualified applicants to serve the public.

Our review of licensing activity of the ABC Board to determine whether all statutory qualifications of licensees were being met revealed no exceptions. The Board has therefore, presented qualified applicants to serve the public.

- VIII. The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.

No discrepancies were noted during our review of the ABC Board affirmative action program.

- IV. The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

Please refer to I and II above and to the previous section, Findings and Recommendations.

APPENDIXES

APPENDIX A

STATE OF ALASKA
DEPARTMENT OF REVENUE
ALCOHOLIC BEVERAGE CONTROL BOARD
REVENUE COMPARED WITH EXPENDITURES
Fiscal Years 1981, 1982 and 1983
(UNAUDITED)
(Note 1)

	<u>1981</u>	<u>1982</u>	<u>1983</u>
Revenue (See Schedule 1)	\$1,494,489	\$1,548,393	\$1,592,957
Expenditures	<u>(556,589)</u>	<u>(562,178)</u>	<u>(605,131)</u>
<u>Excess of Revenue</u> <u>Over Expenditures</u>	<u>\$ 937,900</u>	<u>\$ 986,215</u>	<u>\$ 987,826</u>

Schedule 1
Revenue Collected

<u>Types of License</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Liquor License Application	\$ 83,250	\$ 86,350	\$ 86,950
Pub	100	400	400
Beverage Dispensary	771,050	773,200	799,050
Club	39,500	39,300	41,200
Common Carrier	25,800	29,050	30,500
Restaurant	60,750	69,600	73,550
Roadhouse	-0-	-0-	-0-
Retail Store	330,700	335,400	341,500
Wholesale General	138,500	156,000	146,700
Wholesale Malt Beverage	13,200	21,600	27,900
Miscellaneous (Note 2)	<u>31,639</u>	<u>37,493</u>	<u>45,207</u>
<u>Total</u>	<u>\$1,494,489</u>	<u>\$1,548,393</u>	<u>\$1,592,957</u>

Note 1

This revenue/expenditure comparison was prepared from available records and discussions with ABC Board personnel. The records were not audited by us and accordingly we do not express an opinion on the ABC Board Revenue Compared with Expenditures, nor the Schedule of Revenue Collected.

Note 2

Includes recreational-site licenses, caterer's special events and conditional contractor's permits.

APPENDIX B

STATE OF ALASKA
DEPARTMENT OF REVENUE
ALCOHOLIC BEVERAGE CONTROL BOARD
NUMBER OF LICENSES BY TYPE
Fiscal Years 1981, 1982, and 1983

<u>Types of License</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Pub	1	1	1
Beverage Dispensary	620	634	645
Club	63	65	65
Common Carrier	72	88	94
Restaurant	182	215	223
Roadhouse	-0-	-0-	-0-
Retail Store	438	445	448
Wholesale General	15	16	16
Wholesale Malt Beverage	7	7	8
Miscellaneous (Note 1)	<u>9</u>	<u>12</u>	<u>13</u>
<u>Total</u>	<u>1407</u>	<u>1483</u>	<u>1513</u>

Note 1

Includes recreational-site licenses, caterer's special events, and conditional contractor's permits.

APPENDIX C

STATE OF ALASKA
DEPARTMENT OF REVENUE
ALCOHOLIC BEVERAGE CONTROL BOARD
DESCRIPTION OF LICENSE TYPES AND FEES

<u>Source</u>	<u>Description</u>	<u>Annual Fee</u>
Application Fee	For each license application.	\$ 50
Beverage Dispensary	To sell or serve on the licensed premises alcoholic beverages for consumption on the licensed premises only.	1,250
Restaurant or Eating Place	To sell beer and wine for consumption only on the licensed premises.	300
Club	To sell alcoholic beverages for consumption only on the licensed premises.	600
Bottling Works	To operate a bottling works where beer and wine may be bottled and sold.	250
Brewery	To operate a brewery where beer is manufactured and bottled or barreled for sale.	500
Winery	To operate a winery where wine is manufactured and bottled or barreled for sale.	250
Package Store	To sell alcoholic beverages to a person in response to a verbal solicitation for purchase received from the person present on the licensed premises or in response to a written solicitation made by a person known to the license for a purchase to be received by the person making the solicitation.	750
Retail Stock	To sell the remaining stock of a package liquor store when the owner wishes to close or terminate business. Sale may only be to licensed persons.	100

<u>Source</u>	<u>Description</u>	<u>Annual Fee</u>
General Wholesale	To sell alcoholic beverages in the original package, and wine in bulk, in quantities of not less than five gallons to holders of licenses.	\$1,000 First \$100,000 of sales plus \$500 - 10,000 on additional sales
Wholesale Malt Beverage and Wine	To sell malt beverages and wine in the original packages in quantities of not less than five wine gallons to holders of licenses.	200 First \$20,000 of sales plus \$300 - 10,000 based on additional sales
Distillery	To operate a distillery where alcoholic beverages are distilled and bottled or barreled for sale.	500
Community Liquor	Authorizes a municipality to operate a beverage dispensary or a package store or both subject to the same conditions and fees applicable to beverage dispensary or package liquor store licenses.	1,250 Beverage Dispensary 750 Package Store
Common Carrier Dispensary	To sell alcoholic beverages for consumption aboard a vehicle, boat, aircraft, or railroad buffet car licensed by the State or federal agency for passenger travel.	350 Per vehicle, boat, aircraft or railroad car
Recreational Site	To sell beer and wine at a recreational site during and one hour before and after a recreational event which is not a school event, for consumption on designated areas at the site.	400
Pub	To sell beer and wine for consumption only at designated premises located on the campus of an accredited college or university.	400
Caterer	Authorizes the holder of a beverage dispensary license to sell or dispense alcoholic beverages at conventions, picnics, social gatherings,	50

<u>Source</u>	<u>Description</u>	<u>Annual Fee</u>
	sporting events or similar affairs held off the holder's licensed premises.	
Special Events	To sell or dispense beer or wine for consumption at designated premises for a specific occasion and limited period of time. Only a nonprofit organization may acquire the permit.	\$50 Per day
Conditional Contractor	To sell beer or wine for consumption only on designated premises for one year from the date of issuance of the permit at construction sites which are located outside a city and inside the boundaries of a military or naval reservation.	600

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

February 24, 1984

Mr. Gerald L. Wilkerson, CPA
Legislative Auditor
Division of Legislative Audit
Pouch W
Juneau, AK 99811



Dear Mr. Wilkerson:

This letter is in response to recommendations contained in your Performance Report of the Alcoholic Beverage Control Board dated January 30, 1984.

Recommendation No. 1 - The A.B.C. Board should improve documentation of its enforcement efforts.

We agree. Conclusions for and final actions from investigations, informal conferences and administrative hearings will be more precisely documented and recorded in pertinent files.

Recommendation No. 2 - The A.B.C. Board should strengthen communications with law enforcement officers.

We agree. This is an ongoing task for the board and its staff. We hope the monitoring procedures implemented recently will produce improved communications with other agencies.

Recommendation No. 3 - The A.B.C. Board should establish procedures to monitor license fee refunds.

We agree. Procedures to process and assess disposition of denied applications and related refund of license fees will be established.

Recommendation No. 4 - The A.B.C. Board should improve its activity reporting system.

We agree.

Item A. A man-hour reporting system for investigators is in place.

Item B. The discrepancy for total investigations reported resulted from "information only" notations by investigators on their daily reports erroneously recorded by clerical staff as "completed" investigations. Improved communication and control within the enforcement staff has begun to prevent this kind of error from reoccurring.

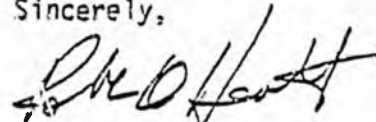
Mr. Gerald L. Wilkerson, CPA
Legislative Auditor
February 24, 1984
Page 2

Recommendation No. 5 - The Department of Revenue should review the A.B.C. Board's transmittal of receipt procedures and establish procedures to transmit funds more efficiently.

We agree. The department is vigorously reviewing cash receipt management in all departments at the present time.

On behalf of the A.B.C. Board and its staff we commend your staff who performed this audit for their professionalism and conduct. Thank you for your constructive and appropriate recommendations.

Sincerely,



Robert D. Heath
Commissioner of Revenue

RDH:PLS:m11

cc: Patrick L. Sharrock, Director
A.B.C Board
A.B.C Board Members

COMMITTEE REPORT
HOUSE

4/15

(7)

FURTHER: FINANCE

2/25/85

Date: _____

Mr. Speaker:

The Committee on JUDICIARY has had HB 34

"An Act relating to the limitation of certain types of liquor licenses."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 34 (JUD) same title
 new title
- and recommends do not pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Edwin Taylor no Rec

CHAIRMAN

STATE OF ALASKA
THE LEGISLATURE

POUCHY STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 24, 1985

SUBJECT: Liquor Licenses; CSHB 34 (Jud)

TO: Representative M. Mike Miller
Chairman, House Judiciary Committee

FROM: George W. Edwards *GWE*
Legislative Counsel

This is in response to your request for a sectional analysis of CSHB 34 (Jud) offered on April 15, 1985.

Section 1 AS 04.06.100(b) is amended by adding a new paragraph permitting the Alcoholic Beverage Control Board (the board) to adopt regulations that require partnerships that hold liquor licenses, including limited partnerships, to submit reports that include notice of any change of a partnership interest of 10 percent or more.

Section 2 AS 04.11.040(c) is amended to prohibit transfer of controlling interest in a liquor license held by a partnership except with the written consent of the board.

Section 3 AS 04.11 is amended by adding a new section 04.11.055, REPORTS REQUIRED OF PARTNERSHIPS. Subsection (a) requires that a partnership holding a liquor license report a transfer of a partnership interest of 10 percent or more or a change of general partners.

Subsection (b) provides that such a report be submitted to the board in duplicate within 10 days of the change in interest or change of general partners.

Section 4 AS 04.11.100 is amended by adding a new subsection that permits renewal of a restaurant or eating place license only if the licensee provides evidence to the board's satisfaction that gross receipts from the sale of food on the licensed premises constitute no less than 50

percent of the gross receipts of the premises for the preceding license year.

Section 5 AS 04.11.260(a) is amended by replacing the pronoun "him" with the sex-neutral term "applicant's" and by providing that the application for a liquor license for a partnership shall be executed by an authorized general partner.

Section 6 AS 04.11.260 is amended by adding a new subsection that requires partnerships applying for a liquor license to provide information required by the board including the names and addresses of all general partners and all other partners with an interest of 10 percent or more.

Section 7 AS 04.11.310 is amended by adding a new subsection requiring that upon receipt of an application for issuance, renewal, relocation, or transfer of ownership of a liquor license within an area of a municipality under the jurisdiction of a community council established by charter or ordinance to advise the municipality, the board shall provide notice of the application to the community council and, at least 10 days in advance, advise the council of the date and time of any proposed action on the application.

Section 8 AS 04.11.340 is amended by substituting the term "relocation" for the term "transfer." The change eliminates possible confusion caused by the current usage of "transfer" as applicable both to the sale of an existing liquor license and to the relocation of licensed premises. Since there is a critical difference between the two acts, this section substitutes the term "relocation" for "transfer" with reference to the relocation of licensed premises. The term "transfer" remains applicable to sales of licenses.

Paragraph (2) of the section requires that relocation of a license be denied if prohibited under AS 04.11.400 (a) or (b).

Paragraph (3) of the section requires that relocation of a license be denied if the license would be relocated outside of the established village, incorporated city, unified municipality, or population area established under AS 04.11.400(a) within which it is located.

Paragraph (10) of the section requires that relocation of a license be denied if the license was issued under

AS 04.11.400(g), (h), or (j).

Section 9 AS 04.11.400(a) is amended to substitute "relocation" language for "transfer" language.

Paragraph (1) provides for retention of the population requirement, outside a specified governmental unit including an established village and organized borough, at 1,500 or a fraction of 1,500 for each restaurant or eating place license that may be issued and for raising the population requirement to 3,000 or a fraction of 3,000 for each other license that may be issued within a five mile radius of the licensed premises, excluding the populations of established villages, incorporated cities, unified municipalities, and organized boroughs that are wholly or partly included within the radius.

Paragraph (2) provides for retention of the population requirement, inside a specified governmental unit including an established village, organized borough and unified municipality, at 1,500 or a fraction of 1,500 for each restaurant or eating place license that may be issued and for raising the population requirement to 3,000 or a fraction of 3,000 for each other license that may be issued within the unit.

Paragraph (3) provides for a population limitation inside an organized borough but outside an established village or incorporated city within the borough of 1,500 or a fraction of 1,500 for each restaurant or eating place license that may be issued and 3,000 or a fraction of 3,000 for each other license that may be issued within the area, excluding the population of those established villages that have conducted an election under AS 04.11.490, 04.11.496, or 04.11.500 and the population of incorporated cities within the organized borough.

Section 10 AS 04.11.400(b) is amended to provide that when the five-mile radius described in subsection (a) encompasses all of a governmental unit, including an established village, incorporated city, or unified municipality, and the population inside and outside of the unit but inside the five-mile radius is less than 3,000, rather than the former 1,500, the board may deny issuance or relocation of a liquor license.

Section 11 AS 04.11.400(e) is amended to define "population," as used in subsection (a)(1), as persons residing within the five-mile radius not later than the date the application is received by the board and not earlier than 60 days before the application is received.

Section 12 AS 04.11.400(f) is amended to include within the "population" referred to in subsection (a)(2) and (3) only those persons who resided in a specified governmental unit, including an organized borough, as of December 31 of the year preceding the date of application.

Section 13 AS 04.11.400(g) is repealed and reenacted to provide for the issuance or transfer of ownership of a beverage dispensary license or a restaurant or eating place license without regard to subsection (a) population restrictions to encourage tourism. A license may be issued under this section to an airport terminal or to a hotel-type business that has a dining room or kitchen facilities if:

- (a) it is within a population area of less than 1,501 and has at least 15 rental rooms;
- (b) it is within a population area of 1,501 to 2,500 and has at least 20 rental rooms;
- (c) it is within a population area of 2,501 to 5,000 and has at least 25 rental rooms;
- (d) it is within a population area of 5,001 to 15,000 and has at least 30 rental rooms;
- (e) it is within a population area of 15,001 to 25,000 and has at least 35 rental rooms;
- (f) it is within a population area of 25,001 to 50,000 and has at least 40 rental rooms; or
- (g) it is within a population area of greater than 50,000 and has at least 50 rental rooms.

Section 14 AS 04.11.400(h) is amended to restate the board's authority to issue a restaurant or eating place license without regard to subsection (a) under certain circumstances.

Section 15 AS 04.11.400(i) is amended to make the license transfer provision of this section applicable to licenses limited under either subsection (a) or (b).

Section 16 AS 04.11.400(j) is amended to provide that the board may approve the issuance or transfer of a restaurant or eating place license in a municipality without regard to subsection (a) if necessary for the public convenience.

Section 17 AS 04.11.430 (a) is amended to include partnerships and limited partnerships among entities that may hold liquor licenses.

Section 18 AS 04.11.504(a) is amended by the insertion of the term "relocation" to indicate the relocation of licensed premises.

Section 19 AS 04.21.010 is amended by adding a new subsection that requires that at least 10 days before a date set for municipal action on an application for the issuance, renewal, relocation, or transfer of ownership of a liquor license, the municipality provide written notice of the time and place of hearing to a community council, with jurisdiction over the affected area, established by charter or ordinance to advise the municipality.

Section 20 provides for an immediate effective date.

GWE:ojb
J14/025

A M E N D M E N T

Offered in the HOUSE

By Sund

TO: HB 34

Page 1, line 7, after "licenses":

Insert "and the licensing of partnerships"

Page 1, after line 8, insert new bill sections to read:

* Section 1. AS 04.06.100(b) is amended by adding a new paragraph to read:

(16) required reports from partnerships and limited partnerships licensed under this title, including reports of transferred interests of 10 percent or more.

* Sec. 2. AS 04.11.040(c) is amended to read:

(c) A person may not receive or transfer controlling interest in a liquor license issued to a partnership, including a limited partnership, or a corporation under this title except with the written consent of the board.

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

Sec. 04.11.055. REPORTS REQUIRED OF PARTNERSHIPS. (a) A partnership, including a limited partnership, issued a license under this title shall report to the board when a partnership interest of 10 percent or more is transferred and shall report a change of general partners.

(b) The report to the board shall be made in writing in

duplicate and shall be sent within 10 days after the change in interest or change of general partners.

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

(a) An applicant for a new license or permit shall file with the director a written application, signed and sworn to by the applicant, giving the applicant's [HIS] name and address. If the applicant is a corporation, the application shall be executed by the authorized officers of the corporation. If the applicant is a partnership, including a limited partnership, the application shall be executed by an authorized general partner. The application shall include:

- (1) the type of license or permit desired;
- (2) a description of the premises for which the license or permit is desired, giving the address by street and number, or other information, so that the location of the premises can be definitely determined;
- (3) a statement of the residency of the applicant;
- (4) the license fee;
- (5) the duration of the license or permit desired;
- (6) any other information required by the board.

* Sec. 5. AS 04.11.260 is amended by adding a new subsection to read:

(d) A partnership, including a limited partnership, that applies for a license or permit shall provide information required by the board including the names and addresses of all general partners and all partners with an interest of 10 percent or more."

Renumber succeeding sections accordingly.

Page 6, after line 6, insert a new bill section to read:

"* Sec. 11. AS 04.11.430(a) is amended to read:

(a) Each license shall be issued to a specific individual or individuals, to a partnership, including a limited partnership, or to a corporation. If the license is issued to a corporation, the registered agent of the corporation must be an individual resident of the state."

Renumber succeeding sections accordingly

A M E N D M E N T

Offered in the HOUSE

By Clocksin and Gruenberg

TO: CSHB 34(SA)

Page 1, following line 15, insert a new bill section to read:

"* Sec. 2. AS 04.11.310 is amended by adding a new subsection to read:

(b) Upon receipt of an application for the issuance, renewal, relocation, or transfer of ownership of a license within an area of a municipality under the jurisdiction of a community council established by municipal charter or ordinance to advise the municipal governing body, the board shall

(1) immediately provide to the community council written notice of the application; and

(2) at least 10 days before the date set for board action on the application provide to the community council written notice of the proposed action and the time and place for a hearing."

Renumber remaining bill sections accordingly.

Page 7, following line 19, insert a new bill section to read:

"* Sec. 13. AS 04.21.010 is amended by adding a new subsection to read:

(d) At least 10 days before the date set for municipal action on an application for the issuance, renewal, relocation, or transfer of ownership of a proposed license, the municipality shall provide written notice of the proposed action and the time and place for a hearing

to a community council that

(1) is established by municipal charter or ordinance to advise the municipal governing body; and

(2) has jurisdiction over the area affected by the proposed action."

Renumber remaining bill section accordingly.

POSITION PAPER

CS FOR HOUSE BILL 34 (STATE AFFAIRS)

"An Act relating to the administration of liquor licenses; and providing for an effective date."

Section 1

This section would attempt to require that a restaurant or eating place license derive at least 50% of its gross receipts from the sale of food. This provision is currently in regulation, 15 AAC 104.305. While this idea is laudable it is uncertain how the ABC Board will effectively monitor licensees' receipts. Since the intent of this classification of license is to allow patrons to consume beer or wine with meals, the Department recommends consideration be given to using the pre 1980 title 04 language in this section.

"A restaurant or eating place licensee may sell beer and wine in a restaurant or eating place with meals furnished in good faith to patrons."

This should assist in avoiding the proliferation of restaurants that are promoting the sale of beer and wine regardless of whether patrons are eating food. In effect, some establishments have a beer and wine tavern in a section of their restaurant. Again, this does not appear to be consistent with the intent of this category of license.

Sections 3 and 4

The Department supports Sections 3 and 4, the population requirement change from 1500 to 3000 for beverage dispensary or package store licenses.

The Alaska State Plan (84-86) indicates that on a per capita basis Alaska has over twice the number of licensed liquor outlets as other states. In 1983 the national average for the ratio of licenses to each 1000 population was 1.18 while the Alaska ratio was 2.55. The attachment is from the Liquor Handbook 1984 and details all states relationships of liquor licenses to population for 1983. Passage of this bill would tend to move Alaska more towards the norm of the national experience with respect to the ratio of licenses to population. Furthermore, this action should assist in stabilizing Alaska's near nation leading per capita consumption rate of beverage alcohol, with its attendant related problems, including driving while intoxicated.

The Alaska Chapter of Mothers Against Drunk Driving is supportive of this bill and the Anchorage Mayor's Task Force on Drunk Driving of 1984 contained the following recommendation:

"The accessibility of alcohol should be limited by reducing liquor outlets (licenses) from 1-1500 population to 1-3000 population."

Additionally, the Governor's Task Force on Drunk Driving heard testimony favoring the concept contained in HB 34, however did not take action on this idea when they were advised this bill would be introduced to the legislature this session.

Section 7

This section more fully defines the number of rental rooms and population ratio applicants for beverage dispensary, or restaurant or eating licensee must demonstrate in order to be considered for a license designated to encourage tourist trade. The Department is supportive of this section since its passage would tend to limit the issuance of additional new licenses.

The Department will be pleased to provide additional information regarding CS for HB 34 and urges its passage.

Recommended by:

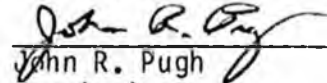


Matthew C. Felix
Coordinator
Office of Alcoholism/
Drug Abuse

Date:

3/13/85

Approved by:



John R. Pugh
Commissioner
Dept. of Health &
Social Services

Date:

3/14/85

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1985

I. REQUEST

Bill/Resolution No.: CS for HB 34
 Title: "An Act relating to the administration"
 Sponsor: M.M. Miller
 Requestor: _____

II. FISCAL DETAIL

Agency Affected: _____
 Program Category Affected: _____
 BRU, Program of Subprogram(s) Affected: _____

Date of Request: 1/28/85

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
CAPITAL	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
REVENUE	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

*of liquor licenses; and providing for an effective date."

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Matthew C. Felix
 Division: Alcoholism and Drug Abuse

Phone: 586-6201
 Date: 3/13/85

Approved by Commissioner: Jan R. Poy
 Department: HEALTH & SOCIAL SERVICES

Date: 3/14/85 JCC

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

3/8/85

Special Licenses For Sale of Distilled Spirits

State	Number of Licenses			Total Licenses	Estimated Population (thousands) 7/1/83	Number of Licenses per 1,000 Population			
	On-Premise	Off-Premise	On- & Off-Premise			On-Premise	Off-Premise	On- & Off-Premise	Total Licenses
Control States									
Alabama	801	463	-	1,264	479	1.67	0.97	-	2.64
Arizona	1,275	1,361	1,523	4,159	2,953	0.43	0.46	0.51	1.40
Arkansas	591	682	-	1,273	2,328	0.25	0.29	-	0.55
California	14,581	11,501	-	26,082	25,174	0.58	0.46	-	1.04
Colorado	3,587	1,373	-	5,060	3,139	1.17	0.44	-	1.61
Connecticut	3,426	1,810	-	5,246	3,138	1.09	0.56	-	1.65
Delaware	443	290	181	914	606	0.73	0.48	0.30	1.51
Dist. of Columbia	746	710	-	1,016	623	1.70	0.55	-	1.74
Florida	1,299	677	6,298	8,274	10,630	0.12	0.16	0.59	0.77
Georgia	1,905	1,669	-	3,574	5,732	0.33	0.29	-	0.62
HAWAII	1,070	781	-	1,851	1,023	1.05	0.76	-	1.81
Illinois	-	-	17,783	17,783	11,486	-	-	1.55	1.55
Iowa	1,147	1,695	3,739	6,581	5,479	0.21	0.31	0.68	1.20
Kansas	1,220	1,085	-	2,305	2,425	0.50	0.48	-	0.95
Kentucky	1,260	944	84	2,288	3,714	0.34	0.25	0.02	0.62
Louisiana	6,902	2,950	-	9,852	4,438	1.56	0.66	-	2.22
Maryland	556	1,026	3,217	4,799	4,304	0.13	0.24	0.75	1.12
Massachusetts	6,210	1,799	-	8,009	5,767	1.08	0.31	-	1.39
Minnesota	2,375	700	1,112	4,187	4,144	0.57	0.17	0.27	1.01
Missouri	-	4,110	4,295	8,405	4,970	-	0.83	0.86	1.67
Nebraska	452	585	2,031	3,068	1,597	0.28	0.37	1.27	1.92
Nevada	926	599	839	2,364	891	1.04	0.67	0.94	2.65
New Jersey	1,535	1,939	8,012	11,486	7,469	0.21	0.26	1.07	1.54
New Mexico	217	79	1,308	1,604	1,399	0.16	0.06	0.93	1.15
New York	23,672	4,098	-	27,770	17,667	1.34	0.23	-	1.57
North Dakota	110	95	1,075	1,280	680	0.16	0.14	1.58	1.86
Oklahoma	-	846	-	846	3,298	-	0.26	-	0.26
Rhode Island	1,449	308	-	1,757	955	1.52	0.32	-	1.84
South Carolina	1,571	1,196	-	2,767	3,264	0.48	0.37	-	0.85
South Dakota	158	615	-	1,573	700	1.37	0.88	-	2.25
Tennessee	1,045	506	-	1,551	4,681	0.22	0.11	-	0.33
Texas	11,213	3,474	-	14,687	15,724	0.52	0.12	-	0.74
Wisconsin	12,706	1,731	-	14,437	4,751	2.67	0.41	-	3.08
Total Control	162,376	59,460	54,401	276,237	233,981	0.82	0.41	0.31	1.54
Control States									
Alabama	1,673	140	752	2,565	3,491	0.47	0.04	0.19	0.70
Idaho	924	132	-	1,056	919	0.93	0.13	-	1.07
Iowa	4,598	214	-	4,812	2,905	1.58	0.07	-	1.66
Maine	1,211	132	-	1,343	1,146	1.06	0.12	-	1.17
Michigan	9,335	3,942	-	13,277	9,069	1.03	0.43	-	1.46
Mississippi	593	667	-	1,260	2,587	0.23	0.26	-	0.49
Montana	-	141	1,557	1,698	817	-	0.17	1.91	2.08
New Hampshire	1,014	70	-	1,084	959	1.06	0.07	-	1.13
North Carolina	1,216	368	-	1,584	6,082	0.20	0.06	-	0.26
Ohio	11,834	426	-	12,260	10,746	1.10	0.04	-	1.14
Oregon	1,569	231	-	1,800	2,662	0.59	0.09	-	0.68
Pennsylvania	19,019	713	-	19,732	11,895	1.60	0.05	-	1.66
Utah	159	168	118	445	1,619	0.10	0.10	0.07	0.27
Vermont	1,108	65	-	1,173	525	2.11	0.12	-	2.23
Virginia	1,960	236	-	2,196	5,550	0.35	0.04	-	0.40
Washington	2,481	376	-	2,857	4,300	0.58	0.09	-	0.66
West Virginia	1,276	158	-	1,434	1,965	0.65	0.03	-	0.73
Wyoming	654	96	180	930	514	1.27	0.19	0.35	1.81
Total Control	60,615	8,275	2,607	71,497	68,289	0.89	0.12	0.04	1.05
Grand Total	162,973	59,044	54,104	276,821	233,981	0.70	0.26	0.23	1.18

*Totals may not add because of rounding.

Note: Georgia and New York data are for 1979. New Mexico data are for 1980. The number of off-premise licenses in Control States represents state stores and agencies with the following exceptions: North Carolina represents county and city stores, Michigan includes specially designated distributors and Mississippi and Wyoming cover private licenses since these states operate a monopoly at wholesale level only.

Source: DISCUS

Alaska State Legislature



House of Representatives House Judiciary Committee

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4990

HB 34 Limitation of Liquor Licenses

File Contents - 3/14/85

CSHB 34 (State Affairs) with referral letter from Chair
Hurley

3 fiscal notes:

- \$0 - Revenue
- \$0 - Health & Social Services
- \$0 - Community & Regional Affairs

Sectional Analysis of CSHB 34 (SA)
Comparison of HB 34 & HB 150 (Governor's version)

Liquor license fees

Population statistics/Alcohol Beverage Control Board 1/24/85

ABC Board Proposed Regulation Changes 1/25/85
ABC Performance Report 1/30/85

Analysis of Availability: Alcohol Consumption
Alaska Council on Prevention of Alcohol & Drug
Abuse 2/85

Statistical breakdowns



Alaska State Legislature

House

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

MEMORANDUM

February 14, 1985

TO: Rep. Mike Miller

FROM: Denise Zachary, A.A.

RE: staff analysis/ HB 34: Limitation Liquor Licenses

CS for HB 34 (State Affairs)

Section 1. AS 04.11.100: Adds new language to restaurant section;
"50% of gross receipts must be from sale of food"
(prior to 1981 statute changes, above language was included as well as
"no alcohol consumption on premises unless served with sale of food")

Section 2. AS 04.11.340: Amended adding relocation [TRANSFER OF LOCATION]
to make language consistent throughout bill

Section 3 and 4. AS 04.11.400(a) and (b): Adds language from HB 150 (Gov's)
but ups population limits to 3000 [1500]. Adds areas outside of a city,
municipality, or village, but inside an organized borough -- provides that such
areas will be governed by same quota formula as inside established villages,
incorporated cities, and unified municipalities.

** SHORT TERM EFFECT: no package store or beverage dispensary licenses will be
available in immediate future or until areas have sufficient population growth.
The Board may, in their discretion, continue to issue special licenses for
public convenience or to promote tourism.

Section 5. AS 04.11.400(e): Changes date for determining population where
"5 Mile Rule" is used. Current law = use population statistics from Dec. 31,
preceding the year of date of application. CSHB 34 = population will be
determined as of the date application is filed with A.B.C. Board, or another
date not more than 60 days earlier.

Section 6. AS 04.11.400(f): Technical changes adding HB 150 amendments.

Section 7. AS 04.11.400(g): Issue or transfer of beverage dispensary or restaurant license may be approved by Board if it appears to encourage tourist trade by construction or improvement of hotel, motel, or resort.

Sets up population standards for Board determination of hotel-motel licenses. (A.B.C. Board draft regulations increased by 5 rooms each population unit.)

Section 8. AS 04.11.400(h): Technical changes.

Section 9. AS 04.11.400(i): Ups population limits to 3000 [1500].

Relocation allowed if less than one mile from original location. No ground for Board denial if relocation necessary due to termination of lease agreement, condemnation, or destruction of premises by any cause.

Section 10. AS 04.11.400(j): Pertains to issuance or transfer of restaurant or eating place licenses. Board has public convenience discretion.

Section 11. AS 04.11.504 (in original HB 34): Regards issuance or relocation of liquor licenses by majority vote at local elections.

If local governing body requests fewer licenses than population limit, Board may only issue that amount. If city is "dry" and local vote changes to allow alcohol, priority shall be given to liquor licenses previously issued although applicants have no legal right to license and Board is not required to approve application.

Section 12. Adds Immediate Effective Date.



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y. State Capitol
Juneau, Alaska 99811
(907) 465-3991

March 13, 1985

MEMORANDUM

TO: Representative Randy Phillips
ATTN: Janet Seitz
FROM: Rob Waldman, Legislative Analyst *RW*
RE: Alcoholic Beverage Licensing in Other States
Research Request 85-195

You requested this agency to provide you with information on the methods by which other states limit the number of retail alcohol beverage licenses issued. This memorandum presents a summary table of licensing methods for fourteen states and Alaska. A discussion of the use of population quota controls and other methods of regulation follows the table.

Methods of Regulating Alcoholic Beverages

<u>State</u>	<u>Full Service</u>		<u>Beer/Wine</u>	
	<u>Method of Regulation</u>	<u>Population to License</u>	<u>Method of Regulation</u>	<u>Population to License</u>
Alaska	pop. quota	1,500:1	pop. quota	1,500:1
California	pop. quota	2,000:1	no limiting system application fee municipal ordinance	
Florida	pop. quota	2,500:1	pop. quota	2,500:1
Kansas	private clubs		private clubs	
Idaho	pop. quota	1,500:1	no limiting system application fee	
Massachusetts	pop. quota	1,000:1	pop. quota	5,000:1
Montana	pop. quota	variable	pop. quota	variable

Methods of Regulating Alcoholic Beverages (continued)

<u>State</u>	<u>Full Service</u>		<u>Beer/Wine</u>	
	<u>Method of Regulation</u>	<u>Population to License</u>	<u>Method of Regulation</u>	<u>Population to License</u>
Nevada	municipal ordinance		municipal ordinance	
Nebraska	no limiting system application fee municipal ordinance		no limiting system application fee	
New Jersey	pop. quota	3,000:1	pop. quota	3,000:1
New Mexico	pop. quota	2,000:1	pop. quota	2,000:1
Oregon	pop. quota	2,000:1	no limiting system application fee	
Pennsylvania	pop. quota	2,000:1	pop. quota	15,000:1
Texas	no limiting system application fee		no limiting system application fee	
Washington	pop. quota	1,500:1	no limiting system application fee	

Source: Telephone survey of states' alcohol beverage licensing offices.

ALCOHOLIC BEVERAGE LICENSE REGULATION

Full Service Retail Sales

Of the fifteen states included in the preceding table, eleven states utilize a population to license ratio to determine the number of licenses issued for full service retail sales (by municipality or county).

- Massachusetts utilizes a 1,000:1 ratio;
- Idaho, Washington, and Alaska use a 1,500:1 ratio;
- California, New Mexico, Oregon and Pennsylvania use a 2,000:1 ratio;
- Florida utilizes a 2,500:1 ratio;

- New Jersey utilizes a 3,000:1 ratio; and
- Montana instituted a variable ratio as shown below.

Montana's Variable Ratio Regulating Number of Licenses Issued

<u>City Population</u>	<u>Number of Licenses</u>	<u>Ratio</u>
500 or less	2 retail	250:1
500 to 3,000	3 retail for first 1,000 population 1 for each additional 1,000 population	333:1 400:1 - 600:1
more the 3,000	5 retail for first 3,000 population 1 retail for each additional 1,500 population	600:1 750:1 +
Outside cities (beyond 5 miles)	1 retail for every 750 population	750:1

These states have implemented population quota controls in an attempt to: 1) limit consumption of alcoholic beverages and thereby effectively reduce alcoholism rates; and 2) control the alcoholic beverage market, reduce competition, and insure improved business. The population to license ratio adopted by states was selected for its success in an adjacent state, or it was arrived at by trial and error or compromise.¹

Washington was the first state in the Northwest to enact a population to license ratio. According to Chuck Dalrymple, Assistant Supervisor of Licensing-Liquor Control Board, Washington's initial concept for this limiting system was patterned after similar controls instituted by the heavily populated eastern states and the western Canadian provincial governments.

All of the eastern states surveyed utilize population quota systems. They feel that there is too much consumption of alcoholic beverages as a result of too many retail establishments. Their intent is to reduce

¹Oregon originally adopted a 1,500:1 ratio patterned after ratios in Idaho and Washington. It was amended to 2,000:1 as a result of internal state pressures to limit consumption (church and temperance groups) and insure stability in the retail market. California originally enacted a 1000:1 ratio, and later amended it to 2,000:1.

the actual population to license ratio. There are more businesses in operation, due to grandfather clauses, than these states would like to see.²

In addition to quota-controlled full service licenses, each state issues "public convenience" class full service licenses. These are not dependent upon a population to license ratio. The following table presents the public convenience class licenses issued by states.

Full Service Public Convenience Classes

	States*										
	AK	CA	FL	ID	MA	MT	NJ	NM	OR	PA	WA
Hotel	X		X		X		X			X	
Fraturnity Club		X		X	X		X	X	X	X	X
Municipal Golf			X	X	X	X	X			X	
Rodeo				X							
Ski Resort	X			X							
Lake Resort	X			X		X					
Casino							X				
Private Club										X	
Convention Center	X		X	X	X						
Bowling Alley			X								
Resturant			X					X	X		
Airlines	X		X			X					

*AK--Alaska; CA--California; FL--Florida; ID--Idaho; MA--Massachusetts; MT--Montana; NJ--New Jersey; NM--New Mexico; OR--Oregon; PA--Pennsylvania and WA--Washington.

Source: Telephone survey of all alcohol beverage licensing offices.

²All businesses operating prior to enactment of limiting legislation were issued retail licenses. At the present time, the number of licenses exceed the number allowed by population.

Representative Phillips
March 13, 1985
Page Five

Kansas, Nebraska, Nevada and Texas do not attempt to regulate the number of retail licenses issued. The following section discusses the intent behind this lack of state regulation.

Kansas

The intent of alcoholic beverage legislation in Kansas is to restrict the sale and consumption of alcoholic beverages. Prior to 1947, Kansas was a dry state influenced by a very strong bible-belt temperance movement. Today, alcoholic beverages can be sold by the glass only at private clubs for consumption by members, or consumed at home (retail off-premises sale). State law prohibits the sale of liquor for on-premises consumption at public establishments such as bars, restaurants, hotels, etc. In addition, the state cannot restrict the number of private club licenses issued. However, the Alcoholic Beverage Commission (ABC) does have some regulatory authority. The ABC has the right of review on all new private club license applications. They may deny a license if it can be shown that an applicant has been involved in criminal activities.

The ABC also issues regulations on club membership. Members must pay annual dues; and clubs must wait 10 days following submittal of an application prior to acceptance of that person in the club. The last regulation is very significant in that it restricts access to alcoholic beverages for large numbers of persons and successfully reduces consumption of alcoholic beverages. Individuals from out of town cannot drink because they cannot enter private clubs. There is one exception, and that is if a member takes a person to the club as a guest. Guests are admitted for only one evening.

The impact of this type of access is that drinking must be planned well in advance and cannot be spontaneous. Kansas feels that this system dramatically reduces alcoholism. However, the governor has recently attempted to change this legislation and introduce a quota system. He believes that the present system is restrictive to industries such as tourism.

Nebraska

Nebraska's law does not restrict the number of alcoholic beverage licenses issued. However, the state Liquor Control Commission (LCC) and the local municipal alcoholic beverage board have review and approval power over all licenses. Normally, all persons or corporations applying for a license are investigated by the LCC. Approval is based upon the commission's finding that the applicant has no involvement in criminal activities.

Representative Phillips
March 13, 1985
Page Six

Some municipalities attempt to regulate the number of retail establishments within specific districts by redrafting zoning ordinances, but none have the power to totally prohibit sales. In recent years, attempts have been made to draft legislation that could institute a population quota system based upon a 1500:1 ratio. However, Nebraskans have not supported this concept. George Kublef, Director of Administration-LCC, stated that "the people of Nebraska still feel that the state is a part of the wild west, and that full uninhibited access to liquor is a right and a necessity."

Nevada

Under Nevada state law, consumption and sale of alcoholic beverages is totally unrestricted. This is due to its close association with gaming and other industries such as tourism. In fact, the issuance of licenses for sale of alcoholic beverages is not a function of state government, but is strictly under the jurisdiction of local city or county governments.

I contacted the alcoholic beverage licensing offices in Reno (Washo county) and Las Vegas (Clarke County). Neither community has implemented regulations that could restrict the number of retail licenses (full service and beer/wine for on-off premises consumption). However, they do attempt some regulatory control through the board of county commissioners. The board is required to review all applications for new licenses and sale of businesses. If the board finds that the applicant or any party within the transaction is, or has been, involved in criminal activities, then the license may be denied.

Texas

Texas state law loosely regulates the sale and consumption of alcoholic beverages. According to the Alcoholic Beverage Commission (ABC), most Texans view drinking as a right of the old west, and believe that government regulations should have as little to do with liquor as possible. As a direct result, the ABC does not attempt to restrict the number of retail alcoholic beverage licenses issued. However, the commission does set specific requirements which must be met by all liquor license applicants. All persons submitting applications (possessing at least a 10 percent share of the business) must be at least 19 years of age, a Texas resident for at least 3 years, and have no felony convictions.

BEER AND WINE RETAIL SALES

Of the 15 states surveyed, only seven states attempt to regulate the number of beer and wine licenses issued through population to license ratios: Alaska (1500:1), Florida (2,500:1), Massachusetts (5,000:1), New Jersey (2,500:1), New Mexico (2,000:1), Pennsylvania (15,000:1), and Montana (see variable table below).

Montana's Variable Ratio Regulating Number of Licenses Issued

<u>City Population</u>	<u>Number</u>
500 or less	1 retail
500 to 2,000	1 retail for each 500 population
more than 2,000	4 retail for first 2,000 population 2 retail for next 2,000 population 1 retail for each additional 2,000 population
outside city	1 retail for each 750 population

All five states have implemented these control methods in an attempt to reduce the public's access to and consumption of alcoholic beverages, and thereby reduce alcoholism rates. As with full service licenses, there are more beer and wine licenses than are allowed by municipal and county population statistics. The boards feel that it will be many years before new licenses will be issued based on population quotas.

No Controls

The other eight states do not regulate the number of beer and wine licenses issued. In most cases, the alcoholic beverage boards view the consumption and sale of beer and wine as a public convenience. Through this policy, establishments such as small restaurants, bowling alleys, public carriers, etc, can obtain licenses at reasonable costs. California, Idaho, Oregon, and Washington are in favor of small businesses having these licenses. They believe through these licenses businesses will show improved income.

Texas and Nebraska view consumption of beer to be an unquestionable right, and regulation is not to be discussed. Kansas law does not regulate the number of licenses issued; however, beer and wine by the glass can be purchased only in private clubs. This system strictly

Representative Phillips
March 13, 1985
Page Eight

controls and limits access and consumption levels. Nevada state law does not address licensing, it is a municipal matter and most cities do not regulate issuance.

I hope you find this information useful. If you need additional information please call.

RW



Alaska State Legislature

House of Representatives

Committee on State Affairs

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

(807) 465-4663

Representative Mike M. Miller
Chair Judiciary Committee
House of Representatives
Room 124 Capitol
Juneau, Alaska

February 25, 1985

Dear Representative Miller:

The House State Affairs Committee had for consideration HB 34 "An Act relating to the limitation of certain types of liquor licenses." The Committee passed out a committee substitute for HB 34 incorporating the intention of HB 150 "An Act relating to alcoholic beverage licenses; and providing for an effective date."

CSHB 34 (sa) "An Act relating to the administration of liquor licenses; and providing for an effective date" is legislation limiting liquor licenses in the state of Alaska. However, the committee has some concerns with CSHB 34 (sa) that it would like the Judiciary committee to look into.

- 1) Should the population ratio used to determine the amount of beer and wine license in an area be the same population figures for all other types of liquor licenses?
- 2) Should there be language included to set up a system to verify that at least 50% of the earnings from a restaurant with a beer and wine license, are from the sale of food?

The House State Affairs Committee appreciates the House Judiciary Committee looking into these concerns.

Sincerely,

A handwritten signature in cursive script that reads "Katie Hurley".

Katie Hurley, Chair
House State Affairs Committee

((STATE OF ALASKA 1985 LEGISLATIVE SESSION))
FISCAL NOTE

No. 1

Revision Date: _____

REQUEST CSHB34
 Bill/Resolution No.: (St. Affrs)
 Title: "An Act relating to the
 administration of liquor licenses"
 Sponsor: Rep M.M. Miller/St Affrs.
 Requestor: State Affrs Committee
 Date of Request: 2/21/85

FISCAL DETAIL
 Agency Affected: Community & Regional Affairs
 Program Category Affected: _____
 Community Development
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-		

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-		

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

The Department remains only remotely affected by this committee substitute bill. The bill does potentially have an affect on local governments and continues to base administration of liquor licenses on population figures issued by C&RA.

Prepared By: Doug Griffin, Deputy Director *Griffin* Phone: 465-4750
 Division: Municipal & Regional Assistance Date: 2-22-85

Approved by Commissioner: _____ Date: 2-22-85
 Agency: Community & Regional Affairs

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 2/22/85

REQUEST
 No. 2
 Bill/Resolution No.: CSHB 34 (SA)
 Title: AN ACT RELATING TO THE
ADMINISTRATION OF LIQUOR LICENSES
 Sponsor: REP. M. M. MILLER
 Requestor: HOUSE STATE AFFAIRS COM.
 Date of Request: 2/21/85

FISCAL DETAIL
 Agency Affected: DEPARTMENT OF REVENUE
 Program Category Affected: PUBLIC PROTECTION
 BRU, Program or Subprogram(s) Affected: ALCOHOLIC BEVERAGE CONTROL BOARD

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Patrick L. Sharrock Phone: 277-8638
 Division: Alcoholic Beverage Control Board Date: 2/22/85
 Approved by Commissioner: Marv A. Nordale Date: 2/22/85
 Agency: Department Of Revenue

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 34
 Title: "An act relating to the limitation of certain type of liquor license".
 Sponsor: M.M. Miller
 Requestor: _____
 Date of Request: 1/28/85

FISCAL DETAIL

Agency Affected: Health & Social Services
 Program Category Affected: Alcohol and Drug Abuse Services
 BRU, Program or Subprogram(s) Affected: Alcohol and Drug Abuse Services

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
CAPITAL	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -
REVENUE	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -

FUNDING: (Thousands of Dollars)

GENERAL FUND					
FEDERAL FUNDS					
OTHER					
TOTAL					

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: Attach a separate page if necessary

Prepared By: Matthew C. Felix *Matthew C. Felix* Phone: 586-6201
 Division: Alcoholism and Drug Abuse Date: 1/21/85

Approved by Commissioner: John R. Pung Date: 2/5/85 *JCC*
 Agency: HEALTH + SOCIAL SERVICES

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Affected Agency(ies)

POSITION PAPER

HOUSE BILL 34

"An act relating to the limitation of certain types of liquor licenses."

Section 4

This section of the bill will change the population requirement for beverage dispensary or package store licenses from one for 1500 persons to one for 3000 persons.

Analysis

The Alaska State Plan (84-86) indicates that on a per capita basis Alaska has over twice the number of licensed liquor outlets as other states. In 1981 the national average for the ratio of licenses to each 1000 population was 1.23 while the Alaska ratio was 2.93. Passage of this bill would tend to move Alaska more towards the norm of the national experience with respect to the ratio of licenses to population. Furthermore, this action should assist in stabilizing Alaska's near nation leading per capita consumption rate of beverage alcohol, with its attendant related problems, including driving while intoxicated.

The Alaska Chapter of Mothers Against Drunk Driving is supportive of this bill and the Anchorage Mayor's Task Force on Drunk Driving of 1984 contained the following recommendation:

"The accessibility of alcohol should be limited by reducing liquor outlets (licenses) from 1-1500 population to 1-3000 population."

Additionally, the Governor's Task Force on Drunk Driving heard testimony favoring the concept contained in HB 34, however did not take action on this idea when they were advised this bill would be introduced to the legislature this session.

Recommendation

The Department of Health and Social Services is highly supportive of Section 4 of HB 34.

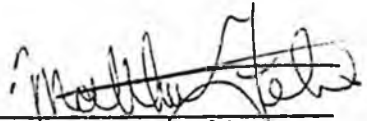
Consideration might also be given to including restaurant or eating place licenses under this provision as well. On page 5, line 7 add restaurant or eating place license. Increasing numbers of restaurants are promoting the sale of beer and wine regardless of whether patrons are eating food. In effect, some establishments have a beer and wine tavern in a section of their restaurant. This does not appear to be consistent with the intent of this category of license.

Prior to 1980 revisions the applicable section of this title was as follows; "Sec. 04.10.050. Restaurant license. The holder of a restaurant license may sell beer and wine in a restaurant with meals furnished in good faith to patrons."

The comparable section of existing law is as follows; "Sec. 04.11.100. Restaurant or eating place license. (a) A restaurant or eating place license authorizes a restaurant or eating place to sell beer and wine for consumption only on the licensed premises. (b) A license may be issued under this section only if the board determines that the premises to be licensed are a bona fide restaurant or eating place."

The Department would be pleased to provide additional information regard ing this issue.

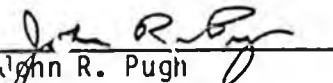
Recommended by:


Matthew C. Felix
Coordinator
Office of Alcoholism/
Drug Abuse

Date:

1/31/85

Approved by:


John R. Pugh
Commissioner
Dept. of Health &
Social Services

Date:

1/5/85

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 15, 1985

SUBJECT: Comparison of amendments to
AS 04.11.400 contained
in HB 34 and HB 150

TO: Representative Katie Hurley
Chair, House State Affairs Committee

FROM: George W. Edwards *GWE*
Legislative Counsel

This is in response to your request for an analysis of the differences between amendments to AS 04.11.400 proposed within HB 34 and HB 150.

The comparison between proposed amendments to AS 04.11.400 is presented according to subsections or designated paragraphs as follows:

Subsection (a): In HB 34 the first paragraph recognizes the repeal of subsection (j) and limits the application of the section to premises licensed as beverage dispensaries or package stores. It uses the term "may not be relocated" to replace the existing language prohibiting transfer of location.

In HB 150 the only change within the initial paragraph is the substitution of "nor" for "or."

Paragraph (a)(1) In HB 34 the term "relocation" is substituted for "transfer" and the population requirement for each license issued or relocated is increased from the existing 1500 to 3000.

In HB 150 this paragraph is amended by adding "organized borough" as a relevant area. It excludes from the population base used in licensing decisions the populations of established villages, incorporated cities, unified municipalities, and organized boroughs that are wholly or in

Representative Katie Hurley
February 15, 1985
page 2

part within the five mile radius used for determining the population base.

Paragraph (a)(2) In HB 34 the term "relocation" is again substituted for "transfer" and the population requirement for each license issued or relocated is increased from the existing 1500 to 3000.

In HB 150 language has been added specifying that the population base used for licensing is the population inside the established village, incorporated city, or unified municipality in which the license may be located.

Paragraph (a)(3) This is a new paragraph unique to HB 150. It pertains to licenses that may be issued within an organized borough but outside of an established village or incorporated city within that borough. It prohibits the issuance or relocation of such a license under subsections (a)(g) or (h) if more than one of each type of license is already in effect for each 1500 people or fraction of that number inside the organized borough excluding the populations of established villages that have held local option elections and incorporated cities when the villages or cities are within the borough.

Subsection (b) This subsection is not addressed in HB 34. In HB 150 language concerning the application for a license is stricken and the political subdivisions effected are more precisely described.

Subsections (c) and (d) HB 34 does not address these. HB 150 does not change them.

Subsection (e) HB 34 does not address this subsection. HB 150 establishes guidelines for determining the population base applicable to a particular licensing situation as "persons residing inside the radius not later than the date the application is received by the board and not earlier than 60 days before the application is received" It strikes language excluding the portion of a population base in an established village, incorporated city or unified municipality and establishing the controlling date of December 31 of each year for computing the population base.

Subsection (f) This subsection is not addressed in HB 34.

Representative Katie Hurley
February 15, 1985
page 3

In HB 150 it is amended to reflect the applicability of the proposed subsection (a)(3) and to include "organized borough" as a designated political subdivision.

Subsection (g) In HB 34 the term relocation is substituted for transfer. The minimum number of rental rooms necessary for an applicant to qualify for a liquor license under this subsection is raised from the existing 10 to 50. This subsection is not addressed in HB 150.

Subsection (h) This subsection is not addressed in HB 34. HB 150 amends subparagraph (1) by adding "an incorporated" before "city".

Subsection (i) This subsection is not addressed in HB 34. HB 150 includes a substitution of "must" for "shall".

Subsection (j) This subsection is repealed in HB 34, section 7.

HB 150 expands the applicability of the subsection from municipalities to incorporated cities, unified municipalities and organized boroughs.

The additional sections of HB 34 not found in HB 150 contain minor changes from existing law intended to clarify meaning. They do not contain substantive changes.

In essence HB 34 concerns changes in AS 04.11.400. Changes limit its applicability from all license types to beverage dispensary and package store licenses only and increase the population minimums necessary to qualify for the issuance or relocation of either of these latter two types. The sale of existing licenses of the specified types are not effected as long as relocation is not involved. Another change raises the rental room minimum from 10 to 50 in subsection (g). No further delineation of political or population areas in which licenses may be issued or relocated is attempted.

GWE:ojb
J11/099

MEMORANDUM
February 14, 1985

TO: Rep. Mike Miller
FROM: denise zachary *dc*
RE: For Your Information: LIQUOR LICENSE FEES

BEVERAGE DISPENSARY: AS 04.11.090 \$1,250.00 annual fee
. authorizes holder to serve or sell alcoholic beverages for consumption on licenses premises only
. applicant must file with application a cash bond or surety bond by a surety company approved by the Board, bond = \$2,500.00
. upon revocation of license (under AS 04.11.370(4)) the bond is forfeited and deposited into state's G.F.

RESTAURANT/ EATING PLACE: AS 04.11.100 \$300.00 annual fee
. license authorizes sale of wine or beer for consumption on premises

CLUB: AS 04.11.110 \$600.00 annual fee
. authorizes club or organization to sell alcohol for consumption on premises

BOTTLING WORKS: AS 04.11.120 \$250.00 annual fee
. authorizes holder to operate bottling works where beer and wine may be bottled and sold
. sales may be made only to a person licensed under this title and only in quantities of more than 5 wine gallons

BREWERY: AS 04.11.130 \$500.00 annual fee
. authorizes holder to operate a brewery where beer is manufactured and bottled or barrelled for sale
. holder may sell beer in quantities of more than 5 wine gallons

WINERY: AS 04.11.140 \$250.00 annual fee
. authorizes holder to operate a winery where wine is manufactured and bottled or barrelled for sale
. holder may sell wine in quantities of more than 5 wine gallons

PACKAGE STORE: AS 04.11.150 \$750.00 annual fee
. sale of alcohol beverages on premises, consumption on premises is prohibited
. package store license holder may also be holder of beverage dispensary license

WHOLESALE: AS 04.11.160 \$1,000 for first \$100,000 of business
. authorizes holder to sell alcoholic beverages in original package; wine in bulk, in quantities of not less than 5 gal.
. wholesaler must obtain general wholesale license for each distributing point
. no later than Feb. 28 of each year following year license was issued, licensee shall file an affidavit showing total business transacted; at time of filing affidavit, licensee shall pay license fees
. additional fees are outlined in AS 04.11.160: see fee schedule

DISTILLERY: AS 04.11.170 \$500.00 annual fee
. authorizes operation of a distillery where alcoholic beverages are distilled and bottled or barrelled for sale
. holder may sell in quantities of more than 5 gal.

COMMON CARRIER: AS 04.11.180 \$350.00/ each carrier annual fee
. authorizes sale for consumption aboard vehicles, boats, aircraft, or railroad licensed by state or federal agency

RETAIL STOCK: AS 04.11.200 \$400.00
. authorizes holder to sell remaining stock of package liquor store when owner terminates business
. license is issued for 90 days and is non-renewable

RECREATIONAL SITE: AS 04.11.210 \$400.00
. holder may sell beer and wine at recreational site during and one hour before and after event (not to include school event)

PUB: AS 04.11.220 \$400.00 annual fee
. sale of beer and wine for consumption only at a designated premises on campus of accredited college or university
. only 1 pub license may be issued or renewed on campus
. must have written approval from governing body of college

CATERER'S: AS 04.11.230 \$50.00
. authorizes holder of beverage dispensary license to sell or dispense alcoholic beverages at conventions, picnics, social gatherings, sporting events
. permit is issued for designated premises for special occasions, and for limited periods of time

SPECIAL EVENTS: AS 04.11.240 \$50.00/ day
. authorizes holder to sell or dispense beer or wine at designated premises for special occasions for limited periods of time
. only non-profit organizations are eligible for this permit; profits going to organization
. no more than 5 special event permits allowed in one calendar year
. no transfer or renewal

Additionally, for your information:

LICENSE RENEWALS:

. on or before Nov. 1, director will mail renewal application to each licensee

. renewal may be filed on or before Dec. 31 and shall be accompanied by annual fee

. renewal filed after Dec. 31 and on or before Feb. 28 shall have annual fee plus penalty equal to annual fee or \$100.00, whichever is less

Public Convenience licenses (AS 04.11.330 (9)) do not require renewal.

NOTICE OF PROPOSED CHANGES IN THE
REGULATIONS OF THE
ALCOHOLIC BEVERAGE CONTROL BOARD

The Alcoholic Beverage Control Board, under the authority of AS 04.06.100, proposes to amend regulations in Title 15 of the Alaska Administrative Code, dealing with (1) competing applications for alcoholic beverage licenses, (2) seating capacity requirements for restaurant and eating place licenses, and (3) room requirements for licenses issued to hotels and motels under AS 04.11.400(g), to implement and interpret AS 04.06.100, 04.11.100, 04.11.320(a), 04.11.400(a), 04.11.400(g), and 04.11.510.

15 AAC 104.112 is proposed to be amended by allowing the Board additional and alternative methods of choosing among competing applications for alcoholic beverage licenses. The methods may include random selection, comparing applications to determine which are more in the public interest, other methods determined by the Board, and any combination of the above. Specific criteria which may guide the Board's discretion in determining which applications are more in the public interest may also be adopted.

15 AAC 104.305 is proposed to be amended by adopting seating capacity requirements or guidelines for new restaurant or eating place licenses issued under AS 04.06.100.


15 AAC 104.325 is proposed to be amended by adopting room requirements or guidelines in addition to those imposed by statute, for new licenses issued to hotels or motels under AS 04.11.400(g).

Any person interested may present oral or written statements or arguments relevant to the proposed action by appearing at a public hearing to be held in Anchorage, Alaska, on January 28, 1985, between the hours of 10 a.m. and 1 p.m., at 1049 West Fifth Avenue, Room 107. In addition, written statements or arguments may be sent to the Alcoholic Beverage Control Board, 201 East Ninth Avenue, Anchorage, Alaska, to be received no later than February 4, 1985.

This action is not expected to require an increased appropriation.

The Alcoholic Beverage Control Board, upon its own motion or at the instance of any interested person, may, on or after February 19, 1985, adopt proposals within the scope of the notice without further notice or may decide to take no action on them.

DATE: 1-16-85


Patrick L. Sharrock, Director
Alcoholic Beverage Control Board

15 AAC 104.325 is amended as follows:

15 AAC 104.325. LICENSE ISSUED TO ENCOURAGE TOURISM.

(a) The board will, in its discretion, approve the issuance or transfer of ownership of a beverage dispensary or restaurant or eating place license under AS 04.11.400(g) only upon a showing that

(1) the approval will encourage the construction or improvement of a tourist facility which would not be financially feasible without a liquor license; and

(2) construction or improvement of the tourist facility will encourage tourism, and tourist business will constitute a substantial portion of the business of the tourist facility.

(b) In determining whether the tourist facility will encourage tourism, the board will, in its discretion, consider the size of the facility and the population of the established village, incorporated city, unified municipality, or five-mile radius in which the facility will be located. Except for good cause shown, the board will generally deny the license unless the facility will have at least

(1) 10 guest rooms, if the population is less than 1501;

(2) 15 guest rooms, if the population is between 1501 and 2500;

(3) 20 guest rooms, if the population is between 2501 and 5000;

(4) 25 guest rooms, if the population is between 5001 and 15,000;

(5) 30 guest rooms, if the population is between 15,001 and 25,000;

(7) 50 guest rooms, if the population is greater than 55,000;

(c)[b] The licensee must show upon application for renewal that issuance of the license encouraged tourism, that the facility was constructed or improved in accordance with the application, and that it continues to be operated by the licensee. If the licensee does not make the showings required by this subsection, renewal will be denied.

(d)[c] A license issued or transferred under AS 04.-11.400(g) may be transferred only to a person to whom the transferred tourist facility is also being transferred. The license will not be renewed and may be revoked if the tourist facility is transferred to a new owner without transfer of the license to the new owner.

(e)[d] A license issued under AS 04.11.400(g) may not be transferred to a new location.

(f)[e] In this section, "improvement" means expenditure of labor and capital which increases the value of the premises, and can be depreciated for federal income tax purposes.

(Eff. / / , Register)

Authority: AS 04.05.100

AS 04.11.400

15 AAC 104.112 is amended to read as follows:

15 AAC 104.112. SELECTION AMONG COMPETING APPLICATIONS WITHIN INCORPORATED CITIES AND UNIFIED MUNICIPALITIES.

(a) Within an incorporated city or unified municipality, all competing applications, as defined in 15 AAC 104.110(c), will be considered together by the board in accordance with this section.

(b) If affiliates, or persons who are related by birth or marriage, have filed competing applications for premises at a single location, the board will, in its discretion, deny all but one of those applications.

(c) The board will deny any competing applications which are required to be denied under AS 04.11.320, 04.11.340, or 04.11.480.

(d) If the denial of one or more competing applications under (b) or (c) of this section causes any other competing applications to cease to be mutually exclusive, the board will, in its discretion, approve the applications which are no longer mutually exclusive.

(e) If there continue to be competing applications after the steps in (b), (c), and (d) of this section are taken, the board will, in its discretion, grant any applications the board considers most in the public interest. The factors the board will, in its discretion, consider in determining the public interest include the safety, suitability, and proximity to other licensed premises of the location of the proposed premises; the size of the proposed premises; community amenities associated with the premises, including entertainment, dining facilities, and tourist accommodations; and preferences or priorities expressed by the local governing body.

Liquor
Licenses
(limiting
cert. types)

HOUSE BILL NO. 34, by Rep. M. M. Miller. Would repeal AS 04.11.400(j), Alcoholic Beverages. Licensing. Denial of Licenses or Permit Renewal. subsection (j) states: "The board may issue a new license in a municipality notwithstanding the provisions of (a) of this section if the board finds that issuance of the license is necessary for the public convenience." (subsection (a), referred to, limits issuance of liquor licenses by population). Makes further technical changes to statutes to reflect repeal.

The bill also changes population requirements for issuance of a new beverage dispensary or package store license or for relocation of that license. Currently a license may not be issued or transferred to a new location outside an incorporated city, a unified municipality, or an established village in a radius of five miles of the licensed premises or location of premises sought to be licensed if after issuance or transfer there would be more than one license for each 1,500 population. Rep. Miller's bill would prohibit issuance or relocation of the license outside those boundaries if there would be more than one license for each 3,000 population. The same increase in population limits would apply to licenses inside an established village, incorporated cities or unified municipalities if after the issuance or relocation, there would be more than one license for each 3,000 population inside the boundaries of the village, city or municipality (currently 1,500).

Introduced January 14 and referred to State Affairs, Judiciary, then Finance.

Fireworks
(rewriting
state law)

HOUSE BILL NO. 35, by Rep. Pourchot. Rewrites state law regulating the sale of fireworks. Would no longer allow sale of roman candles, skyrocket, helicopter type rockets, mines and shells, firecrackers with soft casings, and novelties consisting of two or more of the listed devices. The section of law defining the various types of fireworks is rewritten to more specifically describe those devices, and a new section is added to the law stating that the law does not apply to the sale and use in emergency situations of pyrotechnic devices and distress signals, the retail use of explosives, and certain types of novelty items that do not contain chemicals used in making fireworks. The law also does not apply to ammunition and blank cartridges.

Violation section is changed stating that a person who knowingly fails to comply with the law or fireworks regulations is guilty of a misdemeanor (currently a person who knowingly or wilfully fails to comply is guilty of a misdemeanor). Takes effect immediately.

Introduced January 14 and referred to State Affairs, then to Judiciary.

Appropriation
(special)
(Willow Creek
road access)

HOUSE BILL NO. 36, by Reps. Larson and Hurley. Makes a special appropriation in the amount of \$2,600,000 for payment as a grant to the Matanuska-Susitna Borough to provide road access to Willow Creek, and to provide parking, camping, and boat launch facilities. Requires appropriation to be disbursed in accordance with law governing grants to municipalities. Takes effect immediately.

Introduced January 14 and referred to Community & Regional Affairs, then Finance.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: HB 34
 Title: Limitations of certain types of liquor licenses
 Sponsor: Rep. M. M. Miller
 Requestor: House State Affairs Comm.
 Date of Request: January 16, 1985

FISCAL DETAIL

Agency Affected: Department of Revenue
 Program Category Affected: Public protection
 BRU, Program or Subprogram(s) Affected: Alcoholic Beverage Control Board

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Patrick L. Sharrock Phone: 277-8638
 Division: Alcoholic Beverage Control Board Date: 1/18/85
 Approved by Commissioner: Mac A. Nordale Date: 1/21/85
 Agency: Department of Revenue

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: H B 34
 Title: "An Act Relating to the
 limitation...of liquor licenses."
 Sponsor: Rep. M.M. Miller
 Requestor: Rep. Hurley
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Community & Regional Affairs
 Program Category Affected: _____
Community Development
 BRU, Program or Subprogram(s) Affected: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-		

CAPITAL						
----------------	--	--	--	--	--	--

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-		

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

The Department is only remotely affected by this bill due to the impact it may have on the State's local governments and the connection with population determination made by C & RA. Therefore, the fiscal impact of the Bill on this Department is negligible.

Prepared By: Doug Griffin Deputy Director
 Division: Municipal and Regional Assistance

Phone: 465-4750
 Date: 1-21-85

Approved by Commissioner: Muri Rose
 Agency: Community & Regional Affairs

Date: 1-21-85

Distribution (by Agency preparing fiscal note):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

7/1/84



SIX HUNDRED TWENTY SEVEN
WEST THIRD AVENUE
ANCHORAGE, ALASKA 99501
TELEPHONE 276-2133 or 277-MARX

FEB 13 1985

January 31, 1985

Hon. Katherine T. Hurlley
Alaska State Representative
Pouch Z
Juneau, Ak. 99801

Re: Title 4, Alcoholic
Beverages - license
Quotas

Dear Representative Hurlley,

There has been much public debate concerning the issuance of liquor licenses in order to deal with various problems caused by alcohol abuse. One way of dealing with the problem which many are advocating is to reduce the number of available licenses. This has already been taken place to some extent due to an interpretation by the ABC Board which excluded military and prison populations from the computation of the quota of licenses.

Other proposals have been put forward in the form of new legislation that would further decrease the number of licenses per population. The problem with Sec. 04.11.400 which mandates the population quota is that it is applied uniformly to all license types, so that even though reducing the number of bars may be desirable, the number of licenses available to restaurants is also reduced. Due to the recent change in the population figures, Anchorage has reached its limit of beer-wine licenses. This means that a person who wants to open a small restaurant must purchase one from another license holder for a price that is now upwards of \$25,000. Is this really what is desired? We should be encouraging, not discouraging the service of alcohol with meals as an alternative to bars. In addition, a beer and wine license is an economic necessity to the survival of the small, independently owned restaurant. Since our state encourages and depends on tourist dollars to a great extent, it makes no sense to pass laws which would restrict the restaurant trade unnecessarily. What we will have in the urban areas of our state if we pursue the present course is nothing but chain type restaurants owned and run by large corporations.

We propose that the population limitations be separated by license type, since we certainly don't need the same number of wholesale licenses as restaurant licenses for a given population. As a starting point for debate, we encourage the legislature to adopt a quota of 1 beer-wine license for every 750 people, or no quota at all. In small places like Homer, the population limitation has been a definite discouragement to anyone opening up a new restaurant.



SIX HUNDRED TWENTY SEVEN
WEST THIRD AVENUE
ANCHORAGE, ALASKA 99501
TELEPHONE 278-2133 or 277-MARX

As an indirect effect, the population limitations have created a situation of many equally-qualified applicants applying for a few available licenses when the population increases, forcing the board to come up with criteria to select one business over another. Their current proposals to do this are vague and arbitrary. One of these proposals would limit beer and wine licenses to establishments that have a minimum of 70 seats in populous areas, and a 50 seat minimum in small towns. There is no defendable rationale for this that we can see. This regulation, if adopted will eventually eliminate the small, independently owned restaurant. There are many, many restaurants in the Anchorage area that would never have opened had this regulation been previously in effect. Small gourmet restaurants and wine bars, most pizza parlors, many Chinese, Mexican and other ethnic restaurants also would not meet the criteria.

There are alternatives to the over-simplistic and short-sighted proposals which have been made to date. Let's not ruin an important facet of our cultural life in our zeal to stop problems with drunk drivers. Please don't further restrict the restaurant trade in your effort to reduce the number of bars. Effort would be much better spent on stricter sanctions against drunk drivers, public education, and some sort of safe driving incentives. (Flat fare taxis which patrons could use to take cabs, and some means of allowing people to leave their car parked in an urban area without fear of being towed away should be considered). This is a complex and far-reaching issue, please give it the thorough consideration it deserves before reaching your conclusions.

Thank You,

Van Hale, Jack Amon, and Ken Brown
Owners, Marx Bros Cafe

627 West Third Avenue
Anchorage, Ak. 99501
278-2133, 277-6279

ESTIMATE

Alcoholic Beverage Control Board
 Grand Total Population

Local License
 B/D Figures include duplicate lic.
 All Figures include Termination Lic -

Municipal Populations For Cities

Period Ending 12-31-1984

Prepared By TC 124-85
 Approved By

City	Unadjusted Population	Revenue Dispensing	Average Store	Restaurant Selling Lic.	Jobs	General Dispensing	Permit/Other Licenses	Racetrack Site	Duplicate Res/Disp	Public Ordinance	Total
Apache	241,030	147	133	141	19	10	2	4	21	1	478
Co. of Ariz.	2,520	6	6	1	2	0	0	0	0	0	15
Flagstaff	27,103	44	24	18	6	4	0	2	9	0	107
Flagstaff	3,079	5	3	1	2	0	0	1	0	0	12
Flagstaff	3,432	10	7	3	1	0	0	1	0	0	22
Tucson	28,741	28	16	19	2	1	3	1	0	2	77
Kittitas	6,176	11	4	4	4	0	0	1	1	0	75
Maricopa	8,414	21	15	6	6	0	2	0	11	0	51
Maricopa	6,072	12	6	3	2	0	0	0	0	1	24
Maricopa	2	2	3	0	0	0	0	0	0	0	5
Maricopa	510	3	3	3	0	0	0	0	0	0	5
Maricopa	3,732	7	4	3	1	0	0	0	1	0	14
Maricopa	2,792	7	3	2	2	0	0	0	0	0	14
Maricopa	3,137	4	5	1	2	0	1	0	0	0	12
Maricopa	2,072	10	4	2	2	0	0	1	0	0	19
Maricopa	3,597	7	3	3	2	0	0	0	0	0	15
Maricopa	3,681	10	5	3	2	0	0	5	0	0	20
Maricopa	3,548	7	5	2	1	0	0	0	0	0	12
Maricopa	2,376	5	6	0	1	0	0	0	0	0	12
Maricopa	8,221	11	8	0	3	0	2	0	0	0	30

SUMMARY

February 1985

ANALYSIS OF AVAILABILITY FACTORS
RELATED TO PER CAPITA ALCOHOL CONSUMPTION

For

THE ALASKA COUNCIL ON PREVENTION
OF ALCOHOL AND DRUG ABUSE, INC.
Anchorage, Alaska

Partially funded by

THE STATE OFFICE OF ALCOHOLISM AND DRUG ABUSE
DEPARTMENT OF HEALTH AND SOCIAL SERVICES
STATE OF ALASKA

Prepared by

P.C.H.S. GROUP
Pouch 3-6500 - #15A
Juneau, Alaska 99802

SUMMARY

DO ALCOHOL LAWS AFFECT ALCOHOL CONSUMPTION

Synopsis

In the simplest possible terms, this report indicates that:

- States with "strict," "tight," or "conservative" liquor laws have low per capita alcohol consumption.
- And, states with "permissive," "loose," or "liberal" liquor laws have high per capita alcohol consumption rates.

The factors which apparently most affect per capita consumption are:

- The cost of alcohol.
- The hours in which alcohol is available for sale.
- The number of outlets in which alcohol may be purchased.

Background and Reason for this Research

This report is a small part of an intensive two-year study by the Alaska Council on Prevention of Alcohol and Drug Abuse, Inc., to determine if Alaska's liquor laws and policies were in any way responsible for that state's inordinately high per capita alcohol consumption rate.

Much research has been done on the relationship of individual factors in affecting per capita consumption, and/or attempting to tie in one factor or another with a specific type of health disorder or crime problem.

Only one piece of research attempted to look at the overall liquor policies of a specific state as they relate to per capita alcohol consumption. In 1975, Dr. Reginald Smart of the Addiction Research Foundation in Toronto, developed an "availability score" by assigning weights to a variety of factors. He has proved that states with a high "availability score" (e.g. Alaska) had high per capita alcohol consumption rates. States which had low scores on his "availability scale" (e.g. North Carolina) had low per capita alcohol consumption levels.

The 1975 Smart Study, which was cited as "an overwhelming preponderance of scientific evidence," indicated a direct correlation between availability factors and per capita consumption. However, any attempt to change liquor laws to moderate alcohol availability anywhere is always challenged with the statement that the specific factor under discussion cannot be proven to have any specific effect. This research attempted to find the specific effect.

Methodology

The following factors were considered in an attempt to learn how much each of these factors influences per capita alcohol consumption in each of the 50 states and the District of Columbia.

- Minimum drinking age.
- Per capita income.
- Hours per week that alcohol may be purchased.
- Number of outlets which sell alcohol per population.
- Whether alcohol is sold through licensed, independent retail outlets or a state monopoly.

Baseline data was accumulated for each state, for the year 1980. Regression analysis, a commonly-used statistical technique, was utilized with a formula designed to indicate how much each of these factors influenced per capita consumption.

In the final analysis:

- Minimum drinking age does not seem to affect the per capita consumption rate.
- Having individual licensees rather than a state monopoly does not seem to affect the per capita consumption rate.
- Per capita income does affect per capita consumption. Every \$1,000 of per capita income indicates additional consumption of approximately one quart of alcohol.
- The cost of alcohol does directly affect consumption. Each additional dollar of cost reduces consumption by more than a quart.
- The number of outlets does affect consumption. One point of logarithmic difference will decrease per capita consumption by .39 gallons.

Conclusions

There are many demographic variables which influence per capita consumption, that cannot be changed by legislation. For example, per capita income is a variable that would be of little help to decision makers in attempts to reduce per capita consumption.

Should any political jurisdiction wish to lower its per capita consumption level, the three most influential factors to be considered are:

- Cost of alcohol
- Number of outlets
- Hours of availability

Total Number of Licenses by Type,¹ by Year, Alaska
1978 - 1982.*

	1978	1979	1980	1981	1982	Number on 2/26/85
Beverage Dispensary Club	483	583	592	624	629	625
Commercial Carrier	51	61	62	66	66	73
Restaurant	64	78	79	83	84	129
Retail	181	218	222	234	236	272
Pub	351	424	431	454	458	487
Total	1,131	1,365	1,387	1,462	1,474	1,587
On-Premise	780	941	956	1,008	1,016	1,100
Off-Premise	351	424	431	454	458	487

1. Department of Revenue: Alcohol Beverage Control Board

* The total number of Liquor License's was made available by the ABC Board. The distribution of license's by type was based on the percentage breakout for 1981 a year for which data on number of each type of license was available. Data on the exact type breakout for previous years was unavailable.

Number of persons per license, Alaska, 1978-1982

	1978	1979	1980	1981	1982	Number on 2/26/85
ON PREMISE LICENSE'S	780	941	956	1,008	1,016	1,100
19+ Population	345	288	277	271	291	299
State Population	525	431	418	426	452	465
OFF PREMISE LICENSE'S	351	424	431	454	458	487
19+ Population	766	639	614	603	646	676
State Population	1,168	957	926	947	1,004	1,049
TOTAL LICENSE'S	1,131	1,365	1,387	1,462	1,474	1,587
19+ Population	237	198	191	187	200	207
State Population	363	297	288	294	312	322
STATE POP. (000) ¹						
19+ years 2	269	271	265	274	296	329
State Pop. 3	410	406	400	430	460	511

1. Department of Labor: Annual Population Statistics.

2. The number of state population aged 19 and over.

3. The entire state population.

Annual Statistical Review 1981

DISTILLED SPIRITS INDUSTRY

The Distilled Spirits Market

Spirits Entering Trade Channels

GIN 9.5%

CORDIALS 8.5%

RUM 7.0%

BRANDY 4.6%

COCKTAILS 1.8%

TEQUILA 1.7%



DISTILLED SPIRITS
COUNCIL OF THE
UNITED STATES

Table 47. Number of Retail Outlets or Licenses Issued for the Sale of Distilled Spirits, Number of Outlets/Licenses per 1,000 Population, and Number of Persons per Outlet/License, 1981

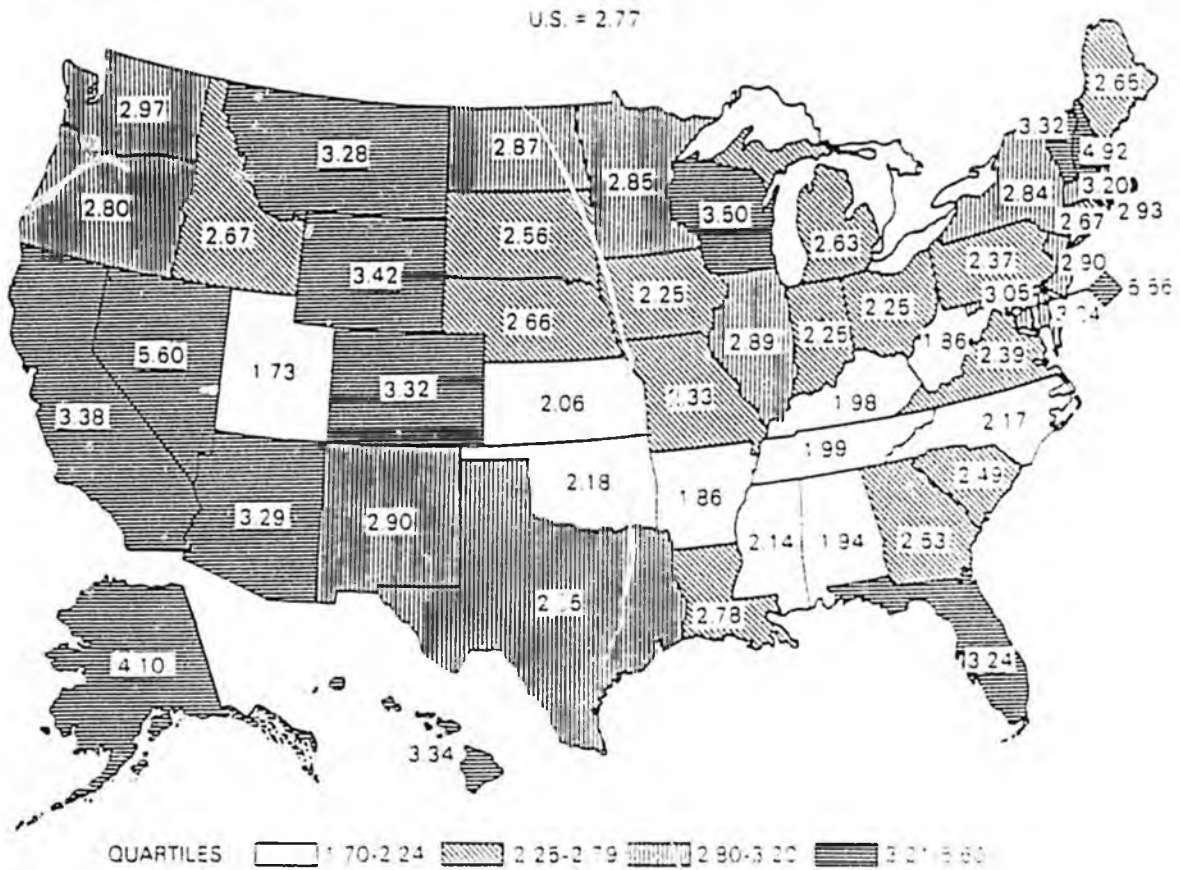
State	Number of Outlets/Licenses				Total Population July 1, 1981 (000)	Number of Outlets/Licenses per 1,000 Population				Number of Persons per Outlet/License			
	On Premises	Off Premise	On and Off Premise	Total Licenses		On Premise	Off Premise	On and Off Premise	Total Licenses	On Premise	Off Premise	On and Off Premise	Total Licenses
LICENSE STATES													
Alaska	765	443	—	1,209	412	1.86	1.07	—	2.93	538	930	—	341
Arizona	2,593	1,262	—	3,860	2,794	0.93	0.45	—	1.38	1,075	2,214	—	724
Arkansas	516	682	—	1,198	2,296	0.22	0.30	—	0.52	4,450	3,367	—	1,917
California	14,053	11,248	—	25,301	24,196	0.58	0.46	—	1.05	1,722	2,151	—	956
Colorado	3,435	1,294	—	4,730	2,965	1.16	0.44	—	1.60	863	2,291	—	627
Connecticut	3,373	1,922	—	5,300	3,134	1.08	0.61	—	1.05	928	1,631	—	950
Delaware	435	293	180	908	598	0.73	0.49	0.30	1.52	1,375	2,041	3,322	659
Dist. of Columbia	363	357	—	1,226	631	1.38	0.57	—	1.94	726	1,768	—	515
Florida	1,203	544	5,830	7,582	10,183	0.13	0.05	0.57	0.74	7,955	18,719	1,747	1,343
Georgia*	1,674	1,420	—	3,094	5,574	0.30	0.25	—	0.56	3,330	3,925	—	1,802
Hawaii	1,051	754	—	1,805	981	1.07	0.77	—	1.84	933	1,301	—	543
Illinois	—	—	29,020	29,020	11,462	—	—	2.53	2.53	—	—	395	395
Indiana	1,150	1,677	3,399	6,226	5,468	0.21	0.31	0.62	1.14	4,755	3,261	1,609	878
Kansas	1,135	1,140	—	2,275	2,383	0.48	0.48	—	0.95	2,100	2,090	—	1,047
Kentucky	1,127	872	89	2,088	3,662	0.31	0.24	0.02	0.57	3,249	4,200	41,146	1,754
Louisiana	6,783	2,746	—	9,529	4,308	1.57	0.64	—	2.21	635	1,559	—	452
Maryland	559	964	3,229	4,752	4,263	0.13	0.23	0.76	1.11	7,626	4,422	1,320	897
Massachusetts	6,561	1,508	—	8,069	5,773	1.14	0.26	—	1.40	880	3,828	—	715
Minnesota	2,331	701	1,103	4,135	4,094	0.57	0.17	0.27	1.01	1,756	5,840	3,712	990
Missouri	—	3,981	4,132	8,113	4,941	—	0.81	0.84	1.64	—	1,241	1,196	609
Nebraska	430	527	1,985	2,942	1,577	0.27	0.33	1.26	1.87	3,667	2,992	794	536
Nevada	793	571	795	2,159	845	0.94	0.68	0.94	2.56	1,066	1,480	1,063	391
New Jersey	1,555	1,973	8,259	11,787	7,404	0.21	0.27	1.12	1.59	4,761	3,753	896	628
New Mexico**	169	67	1,243	1,479	1,328	0.13	0.05	0.94	1.11	7,858	19,821	1,068	898
New York*	23,766	4,395	—	28,161	17,602	1.35	0.25	—	1.60	741	4,005	—	625
North Dakota	115	86	1,020	1,221	658	0.17	0.13	1.55	1.86	5,722	7,651	645	539
Oklahoma	—	809	—	809	3,100	—	0.26	—	0.26	—	3,832	—	3,832
Rhode Island	1,441	309	—	1,750	953	1.51	0.32	—	1.84	661	3,084	—	545
South Carolina	1,463	1,220	—	2,688	3,167	0.46	0.39	—	0.85	2,157	2,596	—	1,178
South Dakota	325	572	—	1,397	686	1.20	0.83	—	2.04	832	1,199	—	491
Tennessee	902	567	—	1,469	4,612	0.20	0.12	—	0.32	5,113	8,134	—	3,140
Texas	7,738	3,663	—	11,401	14,766	0.52	0.25	—	0.77	1,908	4,031	—	1,295
Wisconsin	12,638	1,702	—	14,340	4,742	2.67	0.36	—	3.02	375	2,786	—	331
Subtotal License States	101,479	50,269	60,284	212,023	161,558	0.63	0.31	0.37	1.31	1,592	3,214	2,680	762
CONTROL STATES													
Alabama	2,139	130	—	2,269	3,917	0.55	0.03	—	0.58	1,831	30,131	—	1,726
Idaho	885	131	—	1,016	959	0.92	0.14	—	1.06	1,084	7,321	—	944
Iowa	4,491	213	—	4,704	2,899	1.55	0.07	—	1.62	646	13,610	—	616
Maine	1,116	127	—	1,243	1,133	0.98	0.11	—	1.10	1,015	8,921	—	912
Michigan	9,060	3,790	—	12,850	9,204	0.98	0.41	—	1.40	1,016	2,428	—	716
Mississippi	564	653	—	1,217	2,531	0.22	0.26	—	0.48	4,488	3,876	—	2,080
Montana	—	146	1,504	1,650	793	—	0.18	1.90	2.08	—	5,432	527	481
New Hampshire	989	69	—	1,058	936	1.06	0.07	—	1.13	946	13,565	—	885
North Carolina	1,034	377	—	1,411	5,953	0.17	0.06	—	0.24	5,757	15,790	—	4,219
Ohio	11,788	431	—	12,219	10,701	1.09	0.04	—	1.13	915	25,014	—	982
Oregon	1,475	226	—	1,701	2,651	0.56	0.09	—	0.64	1,797	11,730	—	1,558
Pennsylvania	19,289	729	—	20,018	11,871	1.62	0.06	—	1.69	615	16,284	—	593
Utah	155	108	156	419	1,518	0.10	0.07	0.10	0.28	9,794	14,056	9,731	3,623
Vermont	1,022	63	—	1,085	516	1.98	0.12	—	2.10	505	8,190	—	476
Virginia	1,978	250	—	2,228	5,430	0.36	0.05	—	0.41	2,745	21,720	—	2,437
Washington	2,395	368	—	2,763	4,217	0.57	0.05	—	0.66	1,761	11,459	—	1,526
West Virginia	1,245	167	—	1,412	1,952	0.64	0.09	—	0.72	1,568	11,689	—	1,382
Wyoming	684	107	176	967	492	1.39	0.22	0.36	1.97	719	4,598	2,795	509
Subtotal Control States	60,309	8,085	1,836	70,230	67,753	0.89	0.12	0.02	1.04	1,123	8,380	36,903	965
TOTAL UNITED STATES	161,779	58,354	62,120	282,253	229,307	0.71	0.25	0.27	1.23	1,417	3,930	3,651	812

NOTE: Because of rounding, detail may not add to total.

*Georgia and New York outlet data are for 1979.

**New Mexico outlet data are for 1980.

Figure 2. Apparent Consumption of Ethanol from All Alcoholic Beverages in U.S. Gallons Per Capita of the Population Age 14 and Older, 1981



SOURCE: NIAAA 1982a, b, c.

NUMBER OF PERSONS PER ON PREMISE OUTLET/LICENSE
 TEN STATES WITH LOWEST POPULATION TO OUTLET/LICENSE RATIO
 Calendar Year 1983

	<u>Persons Per on Premise Outlet</u>		<u>Persons Per on Premise License</u>
Wisconsin	375	Louisiana	641
Vermont	473	Rhode Island	658
Alaska	599	South Dakota	730
Pennsylvania	625	New York	746
Iowa	633	Wyoming	787
National Average 1428			

NUMBER OF PERSONS PER TOTAL ON AND OFF PREMISE OUTLETS/LICENSES
 TEN STATES WITH LOWEST POPULATION TO OUTLET/LICENSE RATIO
 Calendar Year 1983

	<u>Persons Per Total Outlets</u>		<u>Persons Per Total Outlets</u>
Wisconsin	328	Louisiana	450
Nevada	377	Montana	481
Alaska	379	Nebraska	495
South Dakota	444	North Dakota	532
Vermont	448	Rhode Island	543
National Average 847			

*
* DELIVER TO: JFOM *
*
* ORIGINAL *
* SENT: 04/08/85 TIME: 11:50 *
* FROM: LANA TRUJILLO *
* SUBJECT: POM *
* PRINT DATE: 04/08/85 TIME: 11:50 *

TO: HOUSE JUDICIARY 9

REP. M.M. MILLER, SUND, GRUENBERG, TAYLOR, CLOCKSIN,
PETTYJOHN, PHILLIPS

FROM: MR. WHITEKEYS, 3300 SPENARD RD., ANCHORAGE, 99503,
248-1049(HM), 279-7726(WK)

RE: HB 34, LIQUOR LICENSE

PLEASE STUDY HB 34 CAREFULLY. ITS INTENT COULD BACKFIRE.
HUNTING LICENSES WILL RAISE VALUES. VERY EXPENSIVE LICENSES
COULD DRIVE OUT SMALL LOUNGES IN FAVOR OF LARGE OPERATIONS.
THESE WILL BE FORCED TO SELL MORE ALCOHOL TO PAY FOR EXPENSIVE
LICENSES AND ESCALATING INSURANCE. WILL THIS ADVANCE PUBLIC
SAFETY? VERY LIKELY NOT.