

SB

276

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4.29.87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY
FINANCE

**FISCAL NOTE(S) ATTACHED 1 **
IN ACCORDANCE WITH AS 24.08.035
(see below)

4/23/87

DATE TURNED INTO OFFICE 3/5/87

Mr. President:

STATE AFFAIRS Committee considered SB 276

issuance of a brewery license.

and recommended:

- replace with CS _____ same title
- attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING TO PASS

OTHER RECOMMENDATIONS

Paul C. [unclear]
Joe P. Josephson

[Signature]
 Chairman signature and recommendation

Committee Backup Attached

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST _____

Bill Version: SB 276
Publish Date: _____

Revision Date: _____
Title: An Act Relating to Issuance of
a Brewery License

Agency Affected: Revenue
BRU: Alcoholic Beverage Control Board

Sponsor: Sen. Fahrenkamp
Requestor: State Affairs

Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

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: Royce Weller *RW*
Division: Office of the Commissioner

Phone: 465-2300
Date: May 1, 1987

Approved by Commissioner: Hugh Malone *H.M.*
Agency: Department of Revenue

Date: May 1, 1987

Distribution (by Agency preparing fiscal note):

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

STATE OF ALASKA

DEPARTMENT OF REVENUE

ALCOHOLIC BEVERAGE CONTROL BOARD

SI EVE COWPER, GOVERNOR

560 W. 7TH AVE
ANCHORAGE, ALASKA 99501-8898

May 1, 1987

The Honorable Mitch Abood, Chairman
State Affairs Committee
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator Abood:

Your office called to let me know that your committee will consider SB 276 concerning brewery licenses on Monday, May 4.

Members of the Alcoholic Beverage Control Board have informally discussed micro breweries and their increasing popularity. The board believes the innovation would contribute to a new dimension of operation for licensees and, therefore, has no objection to the proposed amendments.

Thank you for notifying the board. If I can provide any additional information, please do not hesitate to let me know.

Sincerely,



Patrick L. Sharrock
Director
(907) 277-8638

PLS:cr

cc: Senator Bettye Fahrenkamp

87-91

SB 276 An Act relating to the issuance of a brewery license by
Senator Fahrenkamp 5/4/87

Before the Senate State Affairs Committee

Under current law, a person who has a brewery license may not receive, from the Alcohol Board of Control, a dispensary license. There is no explicit prohibition for the opposite case. However, lacking guidelines and explicit authorization, to date, ABC has not issued any brewery licenses to persons already holding a beverage dispensary license. This bill would provide clear authority and give them specific conditions under which they would be able to do use it.

If the bill passes, a new industry would be fostered in Alaska, i.e. "brew pubs" which are a growing trend in other states. A brew pub is the industry term for a bar that makes its own beer in small quantities for sale only on the premises. They are the size of micro breweries or smaller.

Sectional Analysis

Section 1. AS 04.11.130 Brewery License

New subsection (e) sets out the conditions under which a holder of brewery license and beverage dispensary license may sell beer:

- (1) in quantities less than five gallons on premises
- (2) not more than 16,000 gallons (5000 barrels) in a year.

Section 2. AS 04.11.450(b) Prohibited Financial Interest

Amended to authorize the holder of beverage dispensary license to obtain a brewery license, subject to AS 04.11.130(e).

Provided by Senator Fahrenkamp's office.