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297

# HOUSE COMMITTEE REPORT

(7)

Date Referred: April 25, 1990

FURTHER REFERRALS:

Date of Committee Action: 5/5/90

The JUDICIARY Committee considered:

CSSB 297 (FINANCE)

CS SB NO. 297 (Fin)

LIQUOR LICENSES: LOCAL OPTION LAWS

"An Act relating to licensing, sale, transportation, importation, and possession of alcoholic beverages; local option election ballots; possession of products designed for brewing or distilling; and providing for an effective date."

**RECOMMENDATIONS:**

- be replaced with HCS CSSB 297 (Fin)  the same title
- a new title
- have attached amendment(s)
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(s):  
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- fiscal impact \_\_\_\_\_
- zero fiscal note \_\_\_\_\_
- zero with analysis \_\_\_\_\_

- fiscal note(s) \_\_\_\_\_
- zero fiscal note(s) Elections Revenue 2/5/90
- zero fn/analysis \_\_\_\_\_

**SIGNING DO PASS:**

**SIGNING:**

(Check approp. column)

Do Not  
Pass      No Rec      Amend

\_\_\_\_\_  
*[Signature]*  
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<i>[Signature]</i>	✓		
<i>[Signature]</i>	✓		

*[Signature]*  
 \_\_\_\_\_  
 Chairman's Signature

# HOUSE COMMITTEE REPORT

4/25  
JUDICIARY

(7)

Date Referred: April 9, 1990

FURTHER REFERRALS:

Date of Committee Action: 4/24/90

The LABOR & COMMERCE Committee considered:

CSSB 297(FIN)

CS SB NO. 297 (Fin)

LIQUOR LICENSES: LOCAL OPTION LAWS

"An Act relating to licensing, sale, transportation, importation, and possession of alcoholic beverages; local option election ballots; possession of products designed for brewing or distilling; and providing for an effective date."

**RECOMMENDATIONS:**

- be replaced with HCS CSSB 297(L+C)  the same title
- have attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(s):  
 (Dept)

APPROVES PREVIOUS:  
Senate (Date/Dept)

- fiscal impact \_\_\_\_\_
- zero fiscal note \_\_\_\_\_
- zero with analysis \_\_\_\_\_

- fiscal note(s) \_\_\_\_\_
- 2 zero fiscal note(s) Elect + Rev.
- zero fn/analysis \_\_\_\_\_

**SIGNING DO PASS:**

**SIGNING:**  
 (Check approp. column)

Do Not Pass  
 No Rec  
 Amend

<u>[Signature]</u>	<u>Collins</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>[Signature]</u>	<u>Finkelstein</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<u>[Signature]</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

pass instead of SB 155  
CSB 155 is included in this  
Committee substitute)

[Signature]  
 Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Dept. of Revenue  
 Title: Licensing, sale, transportation, importation, & Possession of alcoholic beverages, local option ballots BY: Alcoholic Beverage Control Board  
 Requestor: Sen. Finance Comm. Components: \_\_\_\_\_  
 Sponsor: Sen. Binkley

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

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

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

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS : (Attach a separate page if necessary)

Depending on the number of local option elections to ban sale and importation or possession of alcoholic beverages, this legislation would produce postage cost reductions under (b)(1) in Section 9.

Mailing to licensees under current law - 444 licensees

Mailing under this legislation - 39 licensees

Prepared by: Patrick L. Sharrock, Director Phone: 277-8638

Division: Alcoholic Beverage Control Board Date: 12/18/89

Approved by Commissioner: Hugh Malone Date: 12/14/89  
 Agency: Department of Revenue

Distribution (by preparer):

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

Changes in CSSB 297 (Fin) have no fiscal impact. This fiscal note is appropriate. 2/2/90

## FISCAL NOTE

**REQUEST:**

Revision Date: 12/7/89 Agency Affected: Office of the Governor  
 Title: An act relating to licensing, sale, transportation, importation, and possession of alcoholic beverages BRU: Division of Elections  
 Sponsor: Binkley Components: I -Elections  
 Requestor: Labor & Commerce

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
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	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Linda Edgeworth Phone: 465-4611  
 Division: Division of Elections Date: 12/7/89

Approved by Commissioner: [Signature] (Acting) Date: 12-11-89  
 Agency: Division of Elections

**Distribution (by preparer):**

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

Changes in CSSB 297 (Fin) have no fiscal impact. This fiscal note is appropriate. 2/2/90 vvw

*Tanana Chiefs Conference, Inc.*

122 First Avenue  
Fairbanks, Alaska 99701-4897  
(907) 452-8251  
Fax (907) 451-8936

April 26, 1990

Rep. Peter Goll  
Rep. Max Gruenberg, Jr.  
Co-Chairmen  
House Judiciary Committee  
Alaska State Legislature  
P.O. Box V (MS 3100)  
Juneau, AK 99811

RE: Senate Bill 297

Dear Chairmen Goll & Gruenberg:

Tanana Chiefs Conference, Inc. supports Senate Bill 297, an act relating to local option laws.

This Senate Bill makes some much needed adjustments and fine tuning to the present local option laws. The adjustments include reducing the amount of alcohol that can be shipped to a village with a bar on the sale of alcohol; ballot language is simplified, or it gives the village an option to have ballots printed in English as well as the village's Native language; and clarifies time periods when liquor licenses are revoked where alcohol has been specifically prohibited.

The changes will make the law much easier to enforce and lifts a cloud of questions our village police officers have had about this law. In addition, the bill simplifies the ballot question and makes it much easier to read and understand.

Senate Bill 297 has gone through alot of committees on both sides of the chamber, this is its last stop. We would very much appreciate your support in scheduling this bill as soon as possible so that the changes to the local option laws can be in place by July of this year. Thank you.

Sincerely,

TANANA CHIEFS CONFERENCE, INC.

*Cathie Ipalook*

Cathie Ipalook  
President

RECEIVED APR 25 1990

H50D



## Senator John Binkley

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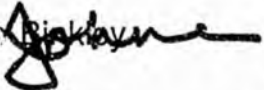
Senate Finance Committee  
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985

Finance Committee  
Co-Chairman

### MEMORANDUM

April 25, 1990

TO: Representative Peter Goll  
Representative Max Gruenberg  
Co-Chairmen, House Judiciary Committee

FROM: Senator John Binkley 

RE: SB 297, amendments to local option statutes

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The above-referenced bill has been referred to your committee. I'd like to take this opportunity to give you a synopsis of the legislation. A more complete sectional analysis is enclosed as well.

The most substantive change made to Title 4 by this bill is that all five local option questions are reworded and made more straight forward. I have heard from many people around the state who have been involved in some way with a local option election that the ballot questions are confusing, particularly to those people for whom English is a second language. Current statute also allows for more than one question to appear on a single ballot. This compounds the confusion of the question in a couple of ways. First, some questions allow for certain kinds of sale; other questions prohibit any kind of sale, importation or possession. The final outcome of an election in which opposing options were passed is unknown. SB 297 limits the local option ballots to one question per election.

The reworded questions also change the effect of a "yes" or "no" vote. Therefore, many of the changes in the bill are technical in nature, switching "yes" and "no" where needed throughout the statute.

The bill also would allow an established village where the Division of Elections was running the election to request that the ballots be printed in the resident's Native language in certain circumstances. We anticipate that the Division will, through the regulatory process, go ahead and prepare these ballot questions in the languages where local options are more commonly held. Municipalities may already prepare the ballots in other languages. However, the bill does contain a provision which clarifies this point.

The bill also requires that package store licensees notify the ABC Board of their intent to sell alcohol by mail. This consists of a box on the license renewal or application form which the licensee simply checks. Whenever there is a local option election in which an option is adopted, the Board will send notice only to those

licensees who are selling by mail, rather than the current requirement of sending notification to every package store licensee in the state.

Finally, the bill clarifies that possession of products designed solely for brewing alcohol is not allowed by people under 21 or in a local option area. I've attached for your reference an advertisement of a product called a "brewsack." You just add water and the yeast which is provided and wait two weeks then bingo! You have 20 pints of beer.

I would appreciate your scheduling of this bill at the earliest convenience. Please let Janice Adair in my office (4985) know when that will be. Thank you.

# Senator John Binkley

Senate Finance Committee  
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985

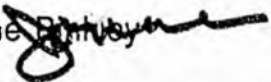


Finance Committee  
Co-Chairman

## MEMORANDUM

April 25, 1990

TO: Members, House Judiciary Committee

FROM: Senator John Binkley 

RE: Sectional Analysis of House CSSB 297 (L&C),  
Local Option Amendments to Title 04

Section One. This section would require ABC Board authorization before a package store can sell in response to a written order and that authorization is only good for only year at a time. Whenever there is a local option adopted by a community, the board is required to notify all holders of a package store license of the election. This section ties in with section 28 which limits the notification only to those package store licensees which told the board of their intent to sell by mail. The Board has revised its license renewal forms so that those package store licensees who want to sell by mail need only check a box.

Section Two. This would bring the amount of distilled spirits that can be sent by mail order to an area with restricted sales into compliance with the presumption provision. There was an amendment to SB 371 on the floor of the House at the end of the 1988 session which increased the mail order amount to 18 liters but the presumption amount was not changed. This would drop it back down to 12. (Tab #1)

There have been a number of problems with people understanding the effects of a local option election. This bill attempts to assist the local governing bodies and the Division of Elections by simplifying the ballot language and requiring certain explanations. Many of the changes in this bill are technical in nature resulting from the changes made to the ballot language. It was necessary to change the effect of a "yes" vote and of a "no" vote.

Section Three. This clarifies that on a vote for a community liquor license, only one type of license may be voted on in any one election.

Section Four. A technical change switching the effects of a "yes" vote and a "no" vote on the question of allowing the sale of alcoholic beverages.

Section Five. Added by House Labor & Commerce Committee, this section would allow the Board, when issuing a liquor license, to impose restrictions on the operation of that license.

Section Six. This was also added by the House Labor & Commerce Committee. It is the text of SB 155, introduced by the Governor, which would allow the Board to issue a restaurant or eating place license without regard to the population limits imposed by statute if the Board found the license was necessary for the public convenience.

Section Seven. This changes the wording of the local option ballot for the prohibition of liquor sales to read "Shall the sale of alcoholic beverages be allowed in the city of *Bethel*?" It also makes another technical change to the effects of a "yes" or "no" vote.

Section Eight. This changes the wording of the local option ballot for a community liquor license election and makes technical changes so that only one type of community liquor license may be voted on in any one election as in Section Three, above. The questions would read: "Shall alcoholic beverages be sold in the city of Bethel only by a bar operated by the city of *Bethel*?" or "Shall alcoholic beverages be sold in the city of Bethel only by a liquor store operated by the city of *Bethel*?" The current language is attached. (Tab #2)

Sections Nine and Ten. Both of these sections make technical changes to provisions regarding community liquor licenses which reflect the changes in Section Three, above which limits a vote on a community liquor license to one type of license in any one election.

Section Eleven. Adds the provision that an explanation must follow the community liquor license question which explains how alcohol may be sold by a bar which means "beverage dispensary license" and by a liquor store which means "package store license."

Section Twelve. This changes the wording of the local option ballot for banning the sale and importation of alcohol. The question would read "Shall the sale and importation of alcoholic beverages be allowed in the city of *Bethel*?" It also makes technical changes to the effects of a "yes" or "no" vote.

Section Thirteen. This changes the wording of the local option ballot for banning the possession of alcohol to read "Shall the possession of alcoholic beverages be allowed in *Bethel*?" It also makes technical changes to the effects of a "yes" or "no" vote.

Sections Fourteen. These section make additional technical changes to the effects of a "yes" or "no" vote on the question of allowing the sale and importation of alcohol in an established village.

Section Fifteen. This change will allow the ban on possession to take effect 60 days following certification of the election **IF** there are no licensed premises in the established village. If there is a licensed premises, then the effective date remains 90 days after certification of the election. It also includes a technical change to the effects of a "yes" or "no" vote.

Sections Sixteen and Seventeen. Makes the same changes as Sections 14 and 15, above as they relate to municipalities.

Section Eighteen. This is a technical change to the effects of a "yes" or "no" vote on sale and importation.

Section Nineteen. This changes the wording of the local option ballot which would allow the sales of alcohol only by selected licensees and specifies that only one kind of license can be voted on at a time. It would read "Shall alcoholic beverages be sold in the city of *Bethel* only by (bar) (liquor store) (restaurant)?" A copy of an actual ballot from the city of Bethel asking this question as it is currently required to be stated is attached. (Tab #3)

Sections Twenty and Twenty-One. These are technical changes relating to the clarification that on a vote for selected liquor license, only one type of license may be voted on in any one election.

Section Twenty-two. This section relates to selected licensee elections (Section 17, above) and is one of the more confusing parts of the bill. It requires some background information.

Under current law at AS 04.11.320(12), the ABC Board may not issue a license in an established village where there is no licensed premises **UNLESS** there has first been a local option election on either prohibiting sales and the vote was no **OR** on the question of a selected licensee and the vote was **YES**. (Tab #4)

Because the local option laws are complex, many villages which propose to have a vote on a selected licensee have not realized that voting **NO** on the type of licensee would not allow them to have another kind of licensee instead. A **NO** vote on this question when there is no licensed premises does not allow the Board to issue another kind of license.

Subparagraph (d) of this section would require the Lieutenant Governor's office (the Division of Elections) to make this known to the residents of a village which is going to have an election on one of these questions. The Division would have to post written notice of the requirements of AS 04.11.320 in two different public locations within the village. They already post notice of the election itself.

Subparagraph (e) would require the ballot give an explanation of the types of liquor sales allowed if the ballot were to pass.

Section Twenty-Three. Deletes the reference to a "combination of questions" on a local option ballot for a municipality. This clarifies that only one question may be voted during an election.

It also provides that the local governing body may prepare the election ballots in English and a second language specified by the body. This does not give a municipality any additional powers but simply spells out in statute that they have this ability.

Section Twenty-Four. Makes the same deletion of "combination of questions" for established villages.

Section Twenty-Five. Makes the same deletion of "combination of questions" under the provisions in statute governing the petitions for a local option election.

Section Twenty-Six. This subsection would allow the governing body of an established village to request that the local option ballot be written in both English and another language. The request would have to be made to the Lt. Governor's office within 15 days of the filing of the petition in order to give his office time to prepare the ballots. However, it is envisioned that the ballot questions would be set out in regulation for those languages most common to the areas where the local option elections generally take place.

Section Twenty-Seven. This makes technical changes to the effects of a "yes" or "no" vote on the questions of sale, sale and importation and possession.

Section Twenty-Eight. This section makes technical changes to the effects of a "yes" or "no" vote. It also expands the notice requirements of a community that has adopted a local option. Under current law, if a community bans the sale and importation, it is required to post notice of the ban within the community. This section extends that notice requirement to the ban on possession.

It also includes a change in (b)(1) to the notice requirements for the ABC Board and ties into Section 1, above. Under current law, the Board must send notice to every package store licensee by registered mail of the adoption of a ban on importation. This amendment would expand that notification to include the ban on possession. The Board would only have to send by certified mail a notice to those licensees authorized to sell in response to a written order.

Section Twenty-Nine. This clarifies what was probably an oversight in current statute. It provides that persons under 21 or persons within a local option area which has restricted the sale and importation or possession of alcohol may not possess products designed to brew or distill alcohol.

Section Thirty. In 1988, we passed SB 371 where it was required that alcohol being shipped into a community which had restricted the sale of alcohol be labeled and have an itemized invoice on the outside of the box. However, air carriers were not

given any responsibility for checking to see if people were shipping alcohol. This section states that a carrier may not knowingly ship unlabeled alcohol.

In order to make that requirement workable, it was necessary to revise the itemized invoice requirement. The ABC Board had interpreted the language from last year as allowing only the licensee to prepare the invoice. This section will allow the purchaser to provide the invoice. This could be the sales receipt.

Section Thirty-One. This section makes the bill effective on July 1, 1990.

- (2) procedures for the issuance, denial, renewal, transfer, revocation, and suspension of licenses and permits;
- (3) terms and conditions of licenses and permits issued;
- (4) fees for licenses and permits issued for which no fees are prescribed by statute;
- (5) conduct of regular and special meetings of the board;
- (6) delegation to the director of routine administrative functions and powers;
- (7) the temporary granting or denial of issuance, transfer, and renewal of licenses;
- (8) manner of giving any notice required by law or regulation when not provided for by statute;
- (9) requirements relating to the qualifications of licensees, the conditions upon which a license may be issued, the accommodations of licensed premises, and board inspection of those premises;
- (10) making of reports by wholesalers;
- (11) purchase of fidelity bonds by the state for the director and the employees of the board;
- (12) prohibition of possession of alcoholic beverages by drunken persons and by minors;
- (13) required reports from corporations licensed under this title, including reports of stock ownership and transfers and changes of officers and directors;
- (14) creation of classifications of licenses or permits not provided for in this title;
- (15) establishment and collection of fees to be paid on application for a license or permit;
- (16) required reports from partnerships and limited partnerships licensed under this title, including reports of transferred interests of 10 percent or more.

**Sec. 04.06.110. Peace officer powers.** The director and the persons employed for the administration and enforcement of this title may, with the concurrence of the commissioner of public safety, exercise the powers of peace officers when those powers are specifically granted by the board. Powers granted by the board under this section may be exercised only when necessary for the enforcement of the criminally punishable provisions of this title, regulations of the board, and other criminally punishable laws and regulations governing the manufacture, barter, sale, consumption, and possession of alcoholic beverages in the state.

## Chapter 10. Licensing.

*[Repealed. For current law, see AS 04.11.]*

## Chapter 11. Licensing.

### Article 1. Licensing and Reporting Requirements.

Section	Section
10. License or permit required	55. Reports required of partnerships
15. Purchase from non-licensee	60. Nonresident distiller, brewer, winery, or wholesaler
20. Exceptions: License or permit not required	70. Power limited to the board
30. Death of license	
40. Board approval of transfers	
50. Reports required of corporations	

**Sec. 04.11.010. License or permit required.** (a) Except as provided in AS 04.11.020, a person may not manufacture, sell, offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage unless under license or permit issued under this title.

(b) A person may not solicit or receive orders for the delivery of an alcoholic beverage in an area where the results of a local option election have, under AS 04.11.490 - 04.11.500, prohibited the board from issuing, renewing or transferring one or more types of licenses or permits under this title, unless the person is licensed under this title and the order is actually received by that person from the purchaser of the alcoholic beverage. A person who violates this subsection is punishable upon conviction under AS 04.16.200(a) or (b).

\* (c) In a criminal prosecution for possession of alcoholic beverages for sale in violation of (a) of this section, the fact that a person possessed more than 12 liters of distilled spirits, 24 liters or more of wine, or 45 liters or more of malt beverages in an area where the sale of alcoholic beverages is prohibited under AS 04.11.490, 04.11.492, 04.11.496, or 04.11.500 creates a presumption that the person possessed the alcoholic beverages for sale. ✕

**Sec. 04.11.015. Purchase from nonlicensee prohibited.** (a) A person may not purchase alcoholic beverages from a person who is not a licensee, permittee, or an agent or employee of a licensee or permittee.

(b) A person who violates this section is guilty of a violation.

**Sec. 04.11.020. Exceptions: License or permit not required.** (a) A license or permit is not required to authorize sales made by a person under a judgment and decree of foreclosure, under the bankruptcy law of the United States, or under order of the board or a court under AS 04.16.220.

(b) A license or permit is not required to serve alcoholic beverages in exchange for valuable contributions at a private gathering of a bona fide group of co-workers or of a professional, social, or fraternal organization if equal contributions are made by all in attendance and only the amount required to purchase the alcoholic beverages is contributed. All other applicable provisions of this title and regulations under this title shall be observed at these private gatherings.

**Sec. 04.11.130. Brewery license.** (a) A brewery license authorizes the holder to operate a brewery where beer is manufactured and bottled or barreled for sale.

(b) The holder of a brewery license may sell beer in quantities of

(1) less than five gallons to an individual who is present on the licensed premises;

(2) more than five gallons to a person who is licensed under this title, or in another state or country.

(c) The holder of a brewery license may permit a person to sample small portions of the brewery's product free of charge unless prohibited by AS 04.16.030.

(d) The annual brewery license fee is \$500.

**Sec. 04.11.135. Brewpub license.** (a) A brewpub license authorizes the holder of a beverage dispensary license to

(1) manufacture on premises licensed under the beverage dispensary license not more than 16,000 gallons of beer in a calendar year; and

(2) sell beer manufactured on premises licensed under the beverage dispensary license for consumption only on the licensed premises.

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

(c) The annual brewpub license fee is \$250.

**Sec. 04.11.140. Winery license.** (a) A winery license authorizes the holder to operate a winery where wine is manufactured and bottled or barreled for sale.

(b) The holder of a winery license may sell wine in quantities of

(1) less than five gallons to an individual who is present on the licensed premises;

(2) more than five gallons to a person who is licensed under this title, or in another state or country.

(c) The holder of a winery license may permit a person to sample small portions of the wine free of charge unless prohibited by AS 04.16.030.

(d) The annual winery license fee is \$250.

**Sec. 04.11.150. Package store license.** (a) Except as provided under (h) of this section, a package store license authorizes the holder 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 licensee for a purchase to be received by the person making the solicitation.

(b) The annual package store license fee is \$750.

(c) The holder of a package store license may not sell alcoholic beverages unless any stamps required to be affixed to the package by state or federal law are intact on the packages.

(d) The consumption of alcoholic beverages on premises licensed under this section is prohibited.

(e) The business premises occupied by a holder of a package store license may not be connected by a door, opening, or other means of passage intended for the access of the general public to an adjacent retail business not licensed under this title, unless approved by the board.

(f) When the holder of a package store license is also a holder of a beverage dispensary license and the package store premises are contained within or are adjacent to the premises of the beverage dispensary and the only public entrance to the package store is by a door or other means within the premises of the beverage dispensary, the board shall determine if additional entrances to the package store are necessary for enforcement purposes, to meet health and fire safety standards, or for the convenience of the public.

(g) "Business premises" means that part of the licensed premises to which the public has access.

\* (h) A package store licensee, agent, or employee may not ship more than eighteen liters of distilled spirits within a monthly period to a purchaser off the licensed premises if the shipment is to an area that has restricted the sale of alcoholic beverages under AS 04.11.490, 04.11.492, or 04.11.500.

(i) A package store licensee, agent, or employee may not divide or combine shipments of alcoholic beverages so as to circumvent the limitation imposed under (h) of this section.

**Sec. 04.11.160. Wholesale licenses.** (a) A general wholesale license authorizes the holder to sell alcoholic beverages in the original package, and wine in bulk, in quantities of not less than five gallons. A holder of a general wholesale license may not sell to a person not licensed under this title, except as provided in AS 04.21.040. A holder of a general wholesale license may not sell alcoholic beverages unless any stamps required to be affixed to the package by state or federal law are intact on the package. A wholesaler must obtain a general wholesale license for each distributing point. The annual general wholesale license fee is \$1,000 for the first \$100,000 of business transacted, payable at the time of making an original application or an application for renewal. In addition, the following annual fees shall be paid by a holder of a general wholesale license:

Business Transacted During Year	Fee
over \$100,000 and not over \$150,000 .....	\$ 500
over \$150,000 and not over \$200,000 .....	\$ 1,000
over \$200,000 and not over \$250,000 .....	\$ 1,500
over \$250,000 and not over \$300,000 .....	\$ 2,000
over \$300,000 and not over \$350,000 .....	\$ 2,500
over \$350,000 and not over \$400,000 .....	\$ 3,000
over \$400,000 and not over \$500,000 .....	\$ 4,000
over \$500,000 and not over \$600,000 .....	\$ 5,000
over \$600,000 and not over \$700,000 .....	\$ 6,000
over \$700,000 and not over \$800,000 .....	\$ 7,000
over \$800,000 and not over \$1,000,000 .....	\$ 9,000
over \$1,000,000 .....	\$ 10,000

ALASKA STATUTES

Sec. 04.11.492. Community liquor license; complete prohibition on sales. (a) The following question, appearing alone, may be placed before the voters of a municipality in accordance with AS 04.11.502: "Shall the sale of alcoholic beverages be prohibited in .....(name of municipality) unless sold by a .....(either a beverage dispensary or package store, or both, operated under a community liquor license)? (yes or no)."

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of a municipality and in unincorporated areas within five miles of the boundaries of the municipality, with the exception of a beverage dispensary or package store operated under a community liquor license held by the municipality. Licenses in effect are void 90 days after the results of the election are certified. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a prorated portion of the annual license fee.

(c) If a majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on a question set out in AS 04.11.490, 04.11.496, or 04.11.500 in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the board shall be notified immediately after a certification of the results of the election. The prohibitions imposed under (b) of this section on the issuance, renewal, or transfer of licenses between holders and locations as a result of the earlier election are removed 90 days after the results of the election are certified except insofar as those prohibitions are imposed in accordance with the results of the subsequent election.

Sec. 04.11.496. Prohibition of sale and importation of alcoholic beverages. (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 04.11.502: "Shall the sale and importation of alcoholic beverages be prohibited in .....(name of municipality or village)? (yes or no)."

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, a person, beginning on the first day of the month following certification of the results of the election, may not knowingly send, transport, or bring an alcoholic beverage into the municipality or established village, unless the alcoholic beverage is sacramental wine to be used for bona fide religious purposes based on tenets or teachings of a church or religious body, is limited in quantity to the amount necessary for religious purposes, and is dispensed only for religious purposes by a person authorized by the church or religious body to dispense the sacramental wine. The board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality and within unincorporated areas within five miles of the

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# CITY OF BETHEL

P.O. Box 388 • Bethel, Alaska 99559

543-2297—Area Code 907

CITY OF BETHEL  
SAMPLE BALLOT

GENERAL ELECTION  
-LOCAL OPTION-  
OCTOBER 3, 1989

\*Vote by placing an "X" in the square to the left of yes or no.

"SHALL THE SALE OF ALCOHOLIC BEVERAGES BE PROHIBITED IN  
BETHEL, ALASKA, EXCEPT BY BEVERAGE DISPENSARY LICENSES &  
RESTAURANT OR EATING PLACE LICENSES?"

\_\_\_\_\_ YES

\_\_\_\_\_ NO

\_\_\_\_\_  
Karole A. Kohl, Acting City Clerk  
Posted: September 11, 1989

## ALCOHOLIC BEVERAGES

(f) If a majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on the questions set out in AS 04.11.492 or 04.11.500 in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the prohibition on the possession of alcoholic beverages is removed effective 90 days after the results of the election are certified except as those prohibitions continue to be imposed in accordance with the results of the subsequent election.

(g) For the purposes of this section, "possession" means having physical possession of or exercising dominion or control over alcoholic beverages, but does not include having alcoholic beverages within the digestive system of a person.

**Sec. 04.11.500. Prohibition of the sale of alcoholic beverages except by selected licenses.** (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 04.11.502: "Shall the sale of alcoholic beverages be prohibited in .....(name of municipality, or village) except by .....(listing of the types of licenses which premises would be exempted from the prohibition on the sale of alcoholic beverages if the measure passes)? (yes or no)."

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality and in unincorporated areas within five miles of the boundaries of the municipality or within the perimeter of the established village, except those types of licenses listed on the ballot. Licenses in effect within the boundaries of the municipality or perimeter of the established village, and in an unincorporated area outside of but within five miles of the boundaries of the municipality, except those types of licenses listed on the ballot, are void 90 days after the results of the election are certified. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a prorated portion of the annual license fee.

(c) If the majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on the questions set out in AS 04.11.490, 04.11.492, 04.11.496, or this section if different types of licenses are listed on the ballot in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election. Licenses in effect in the municipality, in the unincorporated area outside of but within five miles of the boundaries of the municipality or established village that were excepted from the prohibition on sale in accordance with the results of the earlier election are void 90 days after the results of the election are certified. Thereafter the board may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality or within the perimeter of an established village, or in an unincorporated area within five miles of the boundaries of the municipality, except a license that may be issued to a municipality or to one of the types of licenses listed on the ballot as a result of a majority of the voters voting "yes" on the question set out in AS 04.11.492 or this section, respectively. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a prorated portion of the annual license fee.

04.11.320

ALASKA STATUTES

ALCOHOLIC BEVERAGES

(3) the application has not been completed in accordance with AS 04.11.260;  
(4) issuance of the license would violate the restrictions pertaining to the particular license imposed under this title;

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

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

(7) the licensed premises are to be located in a municipality, the type of license sought is a beverage dispensary or package store license, and that type of license is already in effect in the municipality under a community liquor license, unless the new license is to become effective after the community liquor license is no longer effective, whether as the result of a local option election or otherwise;

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

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

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

(11) the license is sought for the sale of alcoholic beverages in a first or second class city in which there are no licensed premises at the time of application unless a majority of the voters in a local option election conducted in accordance with AS 04.11.502 have voted "no" on the question set out in AS 04.11.490, or have voted "yes" on a question set out in AS 04.11.492 or 04.11.500;

(12) the license is sought for the sale of alcoholic beverages in an established village in which there are no licensed premises at the time of application unless a majority of the voters in a local option election conducted in accordance with AS 04.11.502 have voted "no" on the question set out in AS 04.11.490 or have voted "yes" on the question set out in AS 04.11.500.

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

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

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

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

(4) the permit is sought for the sale of alcoholic beverages in a first or second class city or established village in which there are no licensed premises at the time of application unless a majority of the voters in a local option election conducted in accordance with AS 04.11.502 have voted "no" on the question set out in AS 04.11.490.

Sec. 04.11.330. Denial of license or permit renewal. (a) An application requesting renewal of a license shall be denied if

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

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

(3) the applicant has not operated the licensed premises for at least 30 eight-hour days during the immediately preceding calendar year, unless the board determines that the licensed premises are under construction or cannot be operated through no fault of the applicant;

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

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

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

(7) renewal of the license is prohibited under this title as a result of an election conducted in accordance with AS 04.11.502;

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

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

(b) An application for renewal of a license may be denied if the applicant is delinquent in the payment of taxes if the tax liability arises in whole or in part out of the licensed business.

(c) An application requesting renewal of a conditional contractor's permit shall be denied if

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

(2) the application has not been completed in accordance with AS 04.11.270.

(d) Notwithstanding (a)(3) of this section, a recreational site license issued under AS 04.11.210 may be renewed if the license was exercised at least once during the immediately preceding calendar year.

Sec. 04.11.340. Denial of request for relocation. An application requesting approval for the relocation of licensed premises shall be denied if

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

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

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

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

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

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

# Senator John Binkley

Senate Finance Committee  
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985

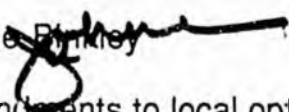


Finance Committee  
Co-Chairman

## MEMORANDUM

April 17, 1990

TO: Representative Dave Donley, Chairman  
House Labor & Commerce Committee

FROM: Senator John Binkley 

RE: SB 297, amendments to local option statutes

The above-referenced bill has been referred to your committee. I'd like to take this opportunity to give you a synopsis of the legislation. A more complete sectional analysis is enclosed as well.

The most substantive change made to Title 4 by this bill is that all five local option questions are reworded and made more straight forward. I have heard from many people around the state who have been involved in some way with a local option election that the ballot questions are confusing, particularly to those people for whom English is a second language. Current statute also allows for more than one question to appear on a single ballot. This compounds the confusion of the question in a couple of ways. First, some questions allow for certain kinds of sale; other questions prohibit any kind of sale, importation or possession. The final outcome of an election in which opposing options were passed is unknown. SB 297 limits the local option ballots to one question per election.

The reworded questions also change the effect of a "yes" or "no" vote. Therefore, many of the changes in the bill are technical in nature, switching "yes" and "no" where needed throughout the statute.

The bill also would allow an established village where the Division of Elections was running the election to request that the ballots be printed in the resident's Native language in certain circumstances. We anticipate that the Division will, through the regulatory process, go ahead and prepare these ballot questions in the languages where local options are more commonly held. Municipalities may already prepare the ballots in other languages. However, the bill does contain a provision which clarifies this point.

The bill also requires that package store licensees notify the ABC Board of their intent to sell alcohol by mail. This consists of a box on the license renewal or application form which the licensee simply checks. Whenever there is a local option election in which an option is adopted, the Board will send notice only to those

licensees who are selling by mail, rather than the current requirement of sending notification to every package store licensee in the state.

Finally, the bill clarifies that possession of products designed solely for brewing alcohol is not allowed by people under 21 or in a local option area. I've attached for your reference an advertisement of a product called a "brewsack." You just add water and the yeast which is provided and wait two weeks then bingo! You have 20 pints of beer.

I would appreciate your scheduling of this bill at the earliest convenience. Please let Janice Adair in my office (4985) know when that will be. Thank you.

# Senator John Binkley

Senate Finance Committee  
P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985

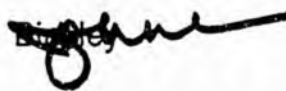


Finance Committee  
Co-Chairman

## MEMORANDUM

April 17, 1990

TO: Members, House Labor & Commerce Committee

FROM: Senator John Binkley 

RE: Sectional Analysis of CSSB 297 (Finance),  
Local Option Amendments to Title 04

Section One. This section would require ABC Board authorization before a package store can sell in response to a written order and that authorization is only good for only year at a time. Whenever there is a local option adopted by a community, the board is required to notify all holders of a package store license of the election. This section ties in with section 26 which limits the notification only to those package store licensees which told the board of their intent to sell by mail. The Board has revised its license renewal forms so that those package store licensees who want to sell by mail need only check a box.

Section Two. This would bring the amount of distilled spirits that can be sent by mail order to an area with restricted sales into compliance with the presumption provision. There was an amendment to SB 371 on the floor of the House at the end of the 1988 session which increased the mail order amount to 18 liters but the presumption amount was not changed. This would drop it back down to 12.

There have been a number of problems with people understanding the effects of a local option election. This bill attempts to assist the local governing bodies and the Division of Elections by simplifying the ballot language and requiring certain explanations. Many of the changes in this bill are technical in nature resulting from the changes made to the ballot language. It was necessary to change the effect of a "yes" vote and of a "no" vote.

Section Three. This clarifies that on a vote for a community liquor license, only one type of license may be voted on in any one election.

Section Four. A technical change switching the effects of a "yes" vote and a "no" vote on the question of allowing the sale of alcoholic beverages.

Section Five. This changes the wording of the local option ballot for the prohibition of liquor sales to read "Shall the sale of alcoholic beverages be allowed in

the city of *Bethel*?" It also makes another technical change to the effects of a "yes" or "no" vote.

Section Six. This changes the wording of the local option ballot for a community liquor license election and makes technical changes so that only one type of community liquor license may be voted on in any one election as in Section Three, above. The questions would read: "Shall alcoholic beverages be sold in the city of Bethel only by a bar operated by the city of *Bethel*?" or "Shall alcoholic beverages be sold in the city of Bethel only by a liquor store operated by the city of *Bethel*?" The current language is attached.

Sections Seven and Eight. Both of these sections make technical changes to provisions regarding community liquor licenses which reflect the changes in Section Three, above which limits a vote on a community liquor license to one type of license in any one election.

Section Nine. Adds the provision that an explanation must follow the community liquor license question which explains how alcohol may be sold by a bar which means "beverage dispensary license" and by a liquor store which means "package store license."

Section Ten. This changes the wording of the local option ballot for banning the sale and importation of alcohol. The question would read "Shall the sale and importation of alcoholic beverages be allowed in the city of *Bethel*?" It also makes technical changes to the effects of a "yes" or "no" vote.

Section Eleven. This changes the wording of the local option ballot for banning the possession of alcohol to read "Shall the possession of alcoholic beverages be allowed in *Bethel*?" It also makes technical changes to the effects of a "yes" or "no" vote.

Sections Twelve. These section make additional technical changes to the effects of a "yes" or "no" vote on the question of allowing the sale and importation of alcohol in an established village.

Section Thirteen. This change will allow the ban on possession to take effect 60 days following certification of the election **IF** there are no licensed premises in the established village. If there is a licensed premises, then the effective date remains 90 days after certification of the election. It also includes a technical change to the effects of a "yes" or "no" vote.

Sections Fourteen and Fifteen. Makes the same changes as Sections 12 and 13, above as they relate to municipalities.

Section Sixteen. This is a technical change to the effects of a "yes" or "no" vote on sale and importation.

Section Seventeen. This changes the wording of the local option ballot which would allow the sales of alcohol only by selected licensees and specifies that only one kind of license can be voted on at a time. It would read "Shall alcoholic beverages be sold in the city of *Bethel* only by (bar) (liquor store) (restaurant)?" A copy of an actual ballot from the city of Bethel asking this question as it is currently required to be stated is attached.

Sections Eighteen and Nineteen. These are technical changes relating to the clarification that on a vote for selected liquor license, only one type of license may be voted on in any one election.

Section Twenty. This section relates to selected licensee elections (Section 17, above) and is one of the more confusing parts of the bill. It requires some background information.

Under current law at AS 04.11.320(12), the ABC Board may not issue a license in an established village where there is no licensed premises UNLESS there has first been a local option election on either prohibiting sales and the vote was no OR on the question of a selected licensee and the vote was YES.

Because the local option laws are complex, many villages which propose to have a vote on a selected licensee have not realized that voting NO on the type of licensee would not allow them to have another kind of licensee instead. A NO vote on this question when there is no licensed premises does not allow the Board to issue another kind of license.

Subparagraph (d) of this section would require the Lieutenant Governor's office (the Division of Elections) to make this known to the residents of a village which is going to have an election on one of these questions. The Division would have to post written notice of the requirements of AS 04.11.320 in two different public locations within the village. They already post notice of the election itself.

Subparagraph (e) would require the ballot give an explanation of the types of liquor sales allowed if the ballot were to pass.

Section Twenty-One. Deletes the reference to a "combination of questions" on a local option ballot for a municipality. This clarifies that only one question may be voted during an election.

It also provides that the local governing body may prepare the election ballots in English and a second language specified by the body. This does not give a municipality any additional powers but simply spells out in statute that they have this ability.

Section Twenty-Two. Makes the same deletion of "combination of questions" for established villages.

Section Twenty-Three. Makes the same deletion of "combination of questions" under the provisions in statute governing the petitions for a local option election.

Section Twenty-Four. This subsection would allow the governing body of an established village to request that the local option ballot be written in both English and another language. The request would have to be made to the Lt. Governor's office within 15 days of the filing of the petition in order to give his office time to prepare the ballots. However, it is envisioned that the ballot questions would be set out in regulation for those languages most common to the areas where the local option elections generally take place.

Section Twenty-Five. This makes technical changes to the effects of a "yes" or "no" vote on the questions of sale, sale and importation and possession.

Section Twenty-Six. This section makes technical changes to the effects of a "yes" or "no" vote. It also expands the notice requirements of a community that has adopted a local option. Under current law, if a community bans the sale and importation, it is required to post notice of the ban within the community. This section extends that notice requirement to the ban on possession.

It also includes a change in (b)(1) to the notice requirements for the ABC Board and ties into Section One, above. Under current law, the Board must send notice to every package store licensee by registered mail of the adoption of a ban on importation. This amendment would expand that notification to include the ban on possession. The Board would only have to send by certified mail a notice to those licensees authorized to sell in response to a written order.

Section Twenty-Seven. This clarifies what was probably an oversight in current statute. It provides that persons under 21 or persons within a local option area which has restricted the sale and importation or possession of alcohol may not possess products designed to brew or distill alcohol.

Section Twenty-Eight. In 1988, we passed SB 371 where it was required that alcohol being shipped into a community which had restricted the sale of alcohol be labeled and have an itemized invoice on the outside of the box. However, air carriers were not given any responsibility for checking to see if people were shipping alcohol. This section states that a carrier may not knowingly ship unlabeled alcohol.

In order to make that requirement workable, it was necessary to revise the itemized invoice requirement. The ABC Board had interpreted the language from last year as allowing only the licensee to prepare the invoice. This section will allow the purchaser to provide the invoice. This could be the sales receipt.

Section Twenty-Nine. This section makes the bill effective on July 1, 1990.

**Sec. 04.11.130. Brewery license.** (a) A brewery license authorizes the holder to operate a brewery where beer is manufactured and bottled or barreled for sale.

(b) The holder of a brewery license may sell beer in quantities of

(1) less than five gallons to an individual who is present on the licensed premises;

(2) more than five gallons to a person who is licensed under this title, or in another state or country.

(c) The holder of a brewery license may permit a person to sample small portions of the brewery's product free of charge unless prohibited by AS 04.16.030.

(d) The annual brewery license fee is \$500.

**Sec. 04.11.135. Brewpub license.** (a) A brewpub license authorizes the holder of a beverage dispensary license to

(1) manufacture on premises licensed under the beverage dispensary license not more than 16,000 gallons of beer in a calendary year; and

(2) sell beer manufactured on premises licensed under the beverage dispensary license for consumption only on the licensed premises.

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

(c) The annual brewpub license fee is \$250.

**Sec. 04.11.140. Winery license.** (a) A winery license authorizes the holder to operate a winery where wine is manufactured and bottled or barreled for sale.

(b) The holder of a winery license may sell wine in quantities of

(1) less than five gallons to an individual who is present on the licensed premises;

(2) more than five gallons to a person who is licensed under this title, or in another state or country.

(c) The holder of a winery license may permit a person to sample small portions of the wine free of charge unless prohibited by AS 04.16.030.

(d) The annual winery license fee is \$250.

**Sec. 04.11.150. Package store license.** (a) Except as provided under (h) of this section, a package store license authorizes the holder 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 licensee for a purchase to be received by the person making the solicitation.

(b) The annual package store license fee is \$750.

(c) The holder of a package store license may not sell alcoholic beverages unless any stamps required to be affixed to the package by state or federal law are intact on the packages.

(d) The consumption of alcoholic beverages on premises licensed under this section is prohibited.

(e) The business premises occupied by a holder of a package store license may not be connected by a door, opening, or other means of passage intended for the access of the general public to an adjacent retail business not licensed under this title, unless approved by the board.

(f) When the holder of a package store license is also a holder of a beverage dispensary license and the package store premises are contained within or are adjacent to the premises of the beverage dispensary and the only public entrance to the package store is by a door or other means within the premises of the beverage dispensary, the board shall determine if additional entrances to the package store are necessary for enforcement purposes, to meet health and fire safety standards, or for the convenience of the public.

(g) "Business premises" means that part of the licensed premises to which the public has access.

\* (b) A package store licensee, agent, or employee may not ship more than eighteen liters of distilled spirits within a monthly period to a purchaser off the licensed premises if the shipment is to an area that has restricted the sale of alcoholic beverages under AS 04.11.490, 04.11.492, or 04.11.500.

(i) A package store licensee, agent, or employee may not divide or combine shipments of alcoholic beverages so as to circumvent the limitation imposed under (b) of this section.

**Sec. 04.11.160. Wholesale licenses.** (a) A general wholesale license authorizes the holder to sell alcoholic beverages in the original package, and wine in bulk, in quantities of not less than five gallons. A holder of a general wholesale license may not sell to a person not licensed under this title, except as provided in AS 04.21.040. A holder of a general wholesale license may not sell alcoholic beverages unless any stamps required to be affixed to the package by state or federal law are intact on the package. A wholesaler must obtain a general wholesale license for each distributing point. The annual general wholesale license fee is \$1,000 for the first \$100,000 of business transacted, payable at the time of making an original application or an application for renewal. In addition, the following annual fees shall be paid by a holder of a general wholesale license:

Business Transacted During Year	Fee
over \$100,000 and not over \$150,000 .....	\$ 500
over \$150,000 and not over \$200,000 .....	\$ 1,000
over \$200,000 and not over \$250,000 .....	\$ 1,500
over \$250,000 and not over \$300,000 .....	\$ 2,000
over \$300,000 and not over \$350,000 .....	\$ 2,500
over \$350,000 and not over \$400,000 .....	\$ 3,000
over \$400,000 and not over \$500,000 .....	\$ 4,000
over \$500,000 and not over \$600,000 .....	\$ 5,000
over \$600,000 and not over \$700,000 .....	\$ 6,000
over \$700,000 and not over \$800,000 .....	\$ 7,000
over \$800,000 and not over \$1,000,000 .....	\$ 9,000
over \$1,000,000 .....	\$ 10,000

ALASKA STATUTES

Sec. 04.11.492. Community liquor license; complete prohibition on sales. (a) The following question, appearing alone, may be placed before the voters of a municipality in accordance with AS 04.11.502: "Shall the sale of alcoholic beverages be prohibited in .....(name of municipality) unless sold by a .....(either a beverage dispensary or package store, or both, operated under a community liquor license)? (yes or no)."

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of a municipality and in unincorporated areas within five miles of the boundaries of the municipality, with the exception of a beverage dispensary or package store operated under a community liquor license held by the municipality. Licenses in effect are void 90 days after the results of the election are certified. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a prorated portion of the annual license fee.

(c) If a majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on a question set out in AS 04.11.490, 04.11.496, or 04.11.500 in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the board shall be notified immediately after a certification of the results of the election. The prohibitions imposed under (b) of this section on the issuance, renewal, or transfer of licenses between holders and locations as a result of the earlier election are removed 90 days after the results of the election are certified except insofar as those prohibitions are imposed in accordance with the results of the subsequent election.

Sec. 04.11.496. Prohibition of sale and importation of alcoholic beverages. (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 04.11.502: "Shall the sale and importation of alcoholic beverages be prohibited in .....(name of municipality or village)? (yes or no)."

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, a person, beginning on the first day of the month following certification of the results of the election, may not knowingly send, transport, or bring an alcoholic beverage into the municipality or established village, unless the alcoholic beverage is sacramental wine to be used for bona fide religious purposes based on tenets or teachings of a church or religious body, is limited in quantity to the amount necessary for religious purposes, and is dispensed only for religious purposes by a person authorized by the church or religious body to dispense the sacramental wine. The board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality and within unincorporated areas within five miles of the

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# CITY OF BETHEL

P.O. Box 388 • Bethel, Alaska 99559

543-2297—Area Code 907

CITY OF BETHEL  
SAMPLE BALLOT

GENERAL ELECTION  
-LOCAL OPTION-  
OCTOBER 3, 1989

\*Vote by placing an "X" in the square to the left of yes or no.

"SHALL THE SALE OF ALCOHOLIC BEVERAGES BE PROHIBITED IN  
BETHEL, ALASKA, EXCEPT BY BEVERAGE DISPENSARY LICENSES &  
RESTAURANT OR EATING PLACE LICENSES?"

\_\_\_\_\_ YES

\_\_\_\_\_ NO

Karole A. Kohl, Acting City Clerk  
Posted: September 11, 1989

## ALCOHOLIC BEVERAGES

(f) If a majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on the questions set out in AS 04.11.492 or 04.11.500 in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the prohibition on the possession of alcoholic beverages is removed effective 90 days after the results of the election are certified except as those prohibitions continue to be imposed in accordance with the results of the subsequent election.

(g) For the purposes of this section, "possession" means having physical possession of or exercising dominion or control over alcoholic beverages, but does not include having alcoholic beverages within the digestive system of a person.

**Sec. 04.11.500. Prohibition of the sale of alcoholic beverages except by selected licenses.** (a) The following question, appearing alone, may be placed before the voters of a municipality or an established village in accordance with AS 04.11.502: "Shall the sale of alcoholic beverages be prohibited in .....(name of municipality or village) except by .....(listing of the types of licenses which premises would be exempted from the prohibition on the sale of alcoholic beverages if the measure passes)? (yes or no)."

(b) If a majority of the voters vote "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality and in unincorporated areas within five miles of the boundaries of the municipality or within the perimeter of the established village, except those types of licenses listed on the ballot. Licenses in effect within the boundaries of the municipality or perimeter of the established village, and in an unincorporated area outside of but within five miles of the boundaries of the municipality, except those types of licenses listed on the ballot, are void 90 days after the results of the election are certified. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a prorated portion of the annual license fee.

(c) If the majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on the questions set out in AS 04.11.490, 04.11.492, 04.11.496, or this section if different types of licenses are listed on the ballot in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election. Licenses in effect in the municipality, in the unincorporated area outside of but within five miles of the boundaries of the municipality or established village that were exempted from the prohibition on sale in accordance with the results of the earlier election are void 90 days after the results of the election are certified. Thereafter the board may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality or within the perimeter of an established village, or in an unincorporated area within five miles of the boundaries of the municipality, except a license that may be issued to a municipality or to one of the types of licenses listed on the ballot as a result of a majority of the voters voting "yes" on the question set out in AS 04.11.492 or this section, respectively. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a prorated portion of the annual license fee.

04.11.320

(3) the application has not been completed in accordance with AS 04.11.260;  
 (4) issuance of the license would violate the restrictions pertaining to the particular license imposed under this title;

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

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

(7) the licensed premises are to be located in a municipality, the type of license sought is a beverage dispensary or package store license, and that type of license is already in effect in the municipality under a community liquor license, unless the new license is to become effective after the community liquor license is no longer effective, whether as the result of a local option election or otherwise;

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

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

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

(11) the license is sought for the sale of alcoholic beverages in a first or second class city in which there are no licensed premises at the time of application unless a majority of the voters in a local option election conducted in accordance with AS 04.11.502 have voted "no" on the question set out in AS 04.11.490, or have voted "yes" on a question set out in AS 04.11.492 or 04.11.500;

(12) the license is sought for the sale of alcoholic beverages in an established village in which there are no licensed premises at the time of application unless a majority of the voters in a local option election conducted in accordance with AS 04.11.502 have voted "no" on the question set out in AS 04.11.490 or have voted "yes" on the question set out in AS 04.11.500.

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

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

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

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

(4) the permit is sought for the sale of alcoholic beverages in a first or second class city or established village in which there are no licensed premises at the time of application unless a majority of the voters in a local option election conducted in accordance with AS 04.11.502 have voted "no" on the question set out in AS 04.11.490.

Sec. 04.11.330. Denial of license or permit renewal. (a) An application requesting renewal of a license shall be denied if

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

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

(3) the applicant has not operated the licensed premises for at least 30 eight-hour days during the immediately preceding calendar year, unless the board determines that the licensed premises are under construction or cannot be operated through no fault of the applicant;

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

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

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

(7) renewal of the license is prohibited under this title as a result of an election conducted in accordance with AS 04.11.502;

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

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

(b) An application for renewal of a license may be denied if the applicant is delinquent in the payment of taxes if the tax liability arises in whole or in part out of the licensed business.

(c) An application requesting renewal of a conditional contractor's permit shall be denied if

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

(2) the application has not been completed in accordance with AS 04.11.270.

(d) Notwithstanding (a)(3) of this section, a recreational site license issued under AS 04.11.210 may be renewed if the license was exercised at least once during the immediately preceding calendar year.

Sec. 04.11.340. Denial of request for relocation. An application requesting approval for the relocation of licensed premises shall be denied if

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

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

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

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

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

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

**THE NEW WAY TO DRINK BEER AT HOME**

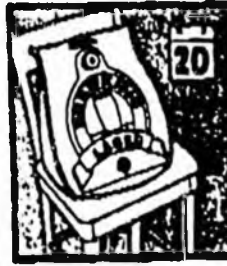
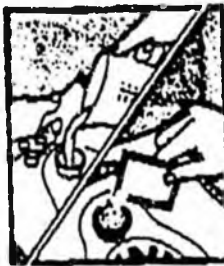
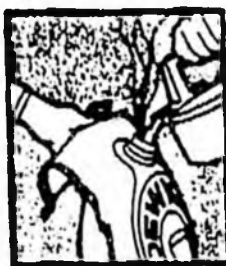


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*Premium*

**LAGER  
BREWSACK**

A BLEND OF HOPPED BREWERS WORT WITH YEAST SACHET  
**SIMPLY ADD WATER & YEAST PROVIDED**



**IT'S IN THE BAG**

6-0314J -  
Ford  
5/3/90

Original sponsor(s): SEN. BINKLEY

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

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

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28 (e) In this section,

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

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

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

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

(b) If a majority of the voters vote "no" ["YES"] on the question set out in (a) of this section, a person, beginning on the first day of the month following certification of the results of the election, may not knowingly send, transport, or bring an alcoholic beverage into the municipality or established village, unless the alcoholic beverage is sacramental wine to be used for bona fide religious purposes based on tenets or teachings of a church or religious body, is limited in quantity to the amount necessary for religious purposes, and is dispensed only for religious purposes by a person authorized by the church or religious body to dispense the sacramental wine. The board shall be notified immediately after certification of the results of the election and thereafter may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality and within unincorporated areas within five miles of the boundaries of the municipality or within the perimeter of the established village. Licenses that may not be renewed because of a local option election held under this section are void 90 days after the results of the election are certified. A license that will expire during the 90 days after the results of a local option election under this section are certified may be extended, until it is void under this subsection, by payment of a

1 prorated portion of the annual license fee.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (f) In this section,

- 23 (1) "bar" means a beverage dispensary;  
24 (2) "liquor store" means a package store;  
25 (3) "restaurant" means a restaurant or eating place.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16 \* Sec. 30. This Act takes effect July 1, 1990.  
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6-0314H  
Ford  
4/18/90

Original sponsor(s): SEN. BINKLEY

1 IN THE SENATE BY THE LABOR & COMMERCE COMMITTEE  
2 HOUSE CS FOR CS FOR SENATE BILL NO. 297 (L&C)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 denied if

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

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

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

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

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

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

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

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

24 \* Sec. 7. AS 04.11.490 is amended to read:

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

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

1 (b) If a majority of the voters vote "no" ["YES"] on the ques-  
2 tion set out in (a) of this section, the board shall be notified  
3 immediately after certification of the results of the election and  
4 thereafter the board may not issue, renew, or transfer between holders  
5 or locations a license for licensed premises located within the bound-  
6 aries of a municipality and in unincorporated areas within five miles  
7 of the boundaries of the municipality or within the perimeter of an  
8 established village. Licenses that may not be renewed because of a  
9 local option election held under this section are void 90 days after  
10 the results of the election are certified. A license that will expire  
11 during the 90 days after the results of a local option election under  
12 this section are certified may be extended, until it is void under  
13 this subsection, by payment of a prorated portion of the annual li-  
14 cense fee.

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

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

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

1 (1) "shall alcoholic beverages be sold in . . . . (name  
2 of municipality) only by a bar operated by (name of municipality)?  
3 (yes or no)"; or

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

7 \* Sec. 9. AS 04.11.492(b) is amended to read:

8 (b) If a majority of the voters vote "yes" on either of the  
9 questions [QUESTION] set out in (a) of this section, the board shall  
10 be notified immediately after certification of the results of the  
11 election and thereafter may not issue, renew, or transfer between  
12 holders or locations a license for licensed premises located within  
13 the boundaries of a municipality and in unincorporated areas within  
14 five miles of the boundaries of the municipality, with the exception  
15 of a beverage dispensary or package store operated under a community  
16 liquor license held by the municipality. Licenses in effect are void  
17 90 days after the results of the election are certified. A license  
18 that will expire during the 90 days after the results of a local  
19 option election under this section are certified may be extended,  
20 until it is void under this subsection, by payment of a prorated  
21 portion of the annual license fee.

22 \* Sec. 10. AS 04.11.492(c) is amended to read:

23 (c) If a majority of the voters vote "no" on either of the  
24 questions [QUESTION] set out in (a) of this section or vote "no"  
25 ["YES"] on a question set out in AS 04.11.490, or 04.11.496, or vote  
26 "yes" on a question set out in AS 04.11.500 in an election conducted  
27 in accordance with AS 04.11.502 after an election in which the voters  
28 voted "yes" on either of the questions [QUESTION] set out in (a) of  
29 this section, the board shall be notified immediately after a

1 certification of the results of the election. The prohibitions  
 2 imposed under (b) of this section on the issuance, renewal, or trans-  
 3 fer of licenses between holders and locations as a result of the  
 4 earlier election are removed 90 days after the results of the election  
 5 are certified except insofar as those prohibitions are imposed under  
 6 [IN ACCORDANCE WITH] the results of the subsequent election.

7 \* Sec. 11. AS 04.11.492 is amended by adding new subsections to read:

8 (d) In preparing the ballot for an election on either of the two  
 9 questions set out in (a) of this section, the local governing body  
 10 shall include an explanation of the authority to sell alcoholic bever-  
 11 ages given to a beverage dispensary licensee, if the question listed  
 12 in (a)(1) of this section is on the ballot, or on explanation of the  
 13 authority to sell alcoholic beverages given to a package store li-  
 14 censee, if the question listed in (a)(2) of this section is on the  
 15 ballot.

16 (e) In this section,

- 17 (1) "bar" means a beverage dispensary;
- 18 (2) "liquor store" means a package store.

19 \* Sec. 12. AS 04.11.496 is amended to read:

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

26 (b) If a majority of the voters vote "no" ["YES"] on the ques-  
 27 tion set out in (a) of this section, a person, beginning on the first  
 28 day of the month following certification of the results of the elec-  
 29 tion, may not knowingly send, transport, or bring an alcoholic

1 beverage into the municipality or established village, unless the  
2 alcoholic beverage is sacramental wine to be used for bona fide reli-  
3 gious purposes based on tenets or teachings of a church or religious  
4 body, is limited in quantity to the amount necessary for religious  
5 purposes, and is dispensed only for religious purposes by a person  
6 authorized by the church or religious body to dispense the sacramental  
7 wine. The board shall be notified immediately after certification of  
8 the results of the election and thereafter may not issue, renew, or  
9 transfer between holders or locations a license for licensed premises  
10 located within the boundaries of the municipality and within unincor-  
11 porated areas within five miles of the boundaries of the municipality  
12 or within the perimeter of the established village. Licenses that may  
13 not be renewed because of a local option election held under this  
14 section are void 90 days after the results of the election are cer-  
15 tified. A license that will expire during the 90 days after the  
16 results of a local option election under this section are certified  
17 may be extended, until it is void under this subsection, by payment of  
18 a prorated portion of the annual license fee.

19 (c) If a majority of the voters vote "yes" ["NO"] on the ques-  
20 tion set out in (a) of this section or vote "yes" on the questions set  
21 out in AS 04.11.492 or 04.11.500 in an election conducted in accor-  
22 dance with AS 04.11.502 after an election in which the voters voted  
23 "no" ["YES"] on the question set out in (a) of this section, the  
24 prohibition on the importation of alcoholic beverages and the prohibi-  
25 tion on the issuance, renewal, or transfers of licenses between hold-  
26 ers and locations, imposed as a result of the earlier election in  
27 which the voters voted "no" ["YES"] on the question set out in (a) of  
28 this section are removed effective on the first day of the month  
29 following certification of the results of the election except as those

1 prohibitions continue to be imposed in accordance with the results of  
2 the subsequent election.

3 \* Sec. 13. AS 04.11.498(a) is amended to read:

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

9 \* Sec. 14. AS 04.11.498(b) is amended to read:

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

27 \* Sec. 15. AS 04.11.498(c) is amended to read:

28 (c) If a majority of the voters of an established village vote  
29 "no" ["YES"] on the question set out in (a) of this section and the

1 sale of alcoholic beverages, or the sale and importation of alcoholic  
2 beverages, has not been previously prohibited in the established  
3 village in accordance with AS 04.11.490 or 04.11.496, a person [,  
4 BEGINNING 90 DAYS AFTER CERTIFICATION OF THE RESULTS OF THE ELECTION,]  
5 may not knowingly possess an alcoholic beverage in the established  
6 village, unless the person is licensed by the board or the alcoholic  
7 beverage is wine to be used for bona fide religious purposes based on  
8 tenets or teachings of a church or religious body, is limited in  
9 quantity to the amount necessary for religious purposes, and is dis-  
10 pensed only for religious purposes by a person recognized by the  
11 church or religious body as authorized to dispense the wine. If there  
12 are licensed premises within the established village, the prohibition  
13 is effective beginning 90 days after the results of the election are  
14 certified. If there are no licensed premises within the established  
15 village, the prohibition is effective beginning 60 days after the  
16 results of the election are certified. The board shall be notified  
17 immediately after certification of the results of the election and  
18 thereafter may not issue, renew, or transfer between holders or lo-  
19 cations a license for licensed premises located within the perimeter  
20 of the established village [AS DEFINED IN AS 04.21.080(b)(8)]. Li-  
21 censes that may not be renewed because of a local option election held  
22 under this section are void 90 days after the results of the election  
23 are certified. A license that will expire during the 90 days after  
24 the results of a local option election under this section are certi-  
25 fied may be extended until it is void under the section, by payment of  
26 a prorated portion of the annual license fee.

27 \* Sec. 16. AS 04.11.498(d) is amended to read:

28 (d) If a majority of the voters of a municipality vote "no"  
29 ["YES"] on the question set out in (a) of this section, and the sale

1 of alcoholic beverages, or the sale and importation of alcoholic  
2 beverages, has been previously prohibited in the municipality in  
3 accordance with AS 04.11.490 or 04.11.496, an ordinance is adopted  
4 that becomes effective beginning on the first day of the month follow-  
5 ing certification of the results of the election, and a person may not  
6 knowingly possess an alcoholic beverage in the municipality, unless  
7 the alcoholic beverage is wine to be used for bona fide religious  
8 purposes based on tenets or teachings of a church or religious body,  
9 is limited in quantity to the amount necessary for religious purposes,  
10 and is dispensed only for religious purposes, by a person recognized  
11 by the church or religious body as authorized to dispense the wine.  
12 The board shall be notified immediately after certification of the  
13 results of the election and thereafter may not issue, renew, or trans-  
14 fer between holders or locations a license for licensed premises  
15 located within the boundaries of the municipality and within unincor-  
16 porated areas within five miles of the boundaries of the municipality.

17 \* Sec. 17. AS 04.11.498(e) is amended to read:

18 (e) If a majority of the voters of a municipality vote "no"  
19 ["YES"] on the question set out in (a) of this section and the sale of  
20 alcoholic beverages, or the sale and importation of alcoholic bever-  
21 ages, has not been previously prohibited in the municipality in accor-  
22 dance with AS 04.11.490 or 04.11.496, an ordinance is adopted that  
23 provides that [BECOMES EFFECTIVE BEGINNING 90 DAYS AFTER CERTIFICATION  
24 OF THE RESULTS OF THE ELECTION, AND] a person may not knowingly pos-  
25 sess an alcoholic beverage in the municipality, unless the alcoholic  
26 beverage is wine to be used for bona fide religious purposes based on  
27 tenets or teachings of a church or religious body, is limited in  
28 quantity to the amount necessary for religious purposes, and is dis-  
29 pensed only for religious purposes by a person recognized by the

1 church or religious body as authorized to dispense the wine. The  
2 board shall be notified immediately after the adoption of the ordi-  
3 nance and thereafter may not issue, renew, or transfer between holders  
4 or locations a license for licensed premises located within the bound-  
5 aries of the municipality and within unincorporated areas within five  
6 miles of the boundaries of the municipality. If there are licensed  
7 premises within the municipality, the prohibition is effective begin-  
8 ning 90 days after the results of the election are certified. If  
9 there are no licensed premises within the municipality, the prohibi-  
10 tion is effective beginning 60 days after the results of the election  
11 are certified. Licenses that may not be renewed because of a local  
12 option election held under this section are void 90 days after the  
13 results of the election are certified. A license that will expire  
14 during the 90 days after the results of a local option election under  
15 this section are certified may be extended, until it is void under  
16 this section, by payment of a prorated portion of the annual fee.

17 \* Sec. 18. AS 04.11.498(f) is amended to read:

18 (f) If a majority of the voters vote "yes" ["NO"] on the ques-  
19 tion set out in (a) of this section or [VOTE "YES" ON] the question  
20 [QUESTIONS] set out in AS 04.11.492 or 04.11.500 in an election con-  
21 ducted in accordance with AS 04.11.502 after an election in which the  
22 voters voted "no" ["YES"] on the question set out in (a) of this  
23 section, the prohibition on the possession of alcoholic beverages is  
24 removed effective 90 days after the results of the election are cer-  
25 tified except as those prohibitions continue to be imposed in accor-  
26 dance with the results of the subsequent election.

27 \* Sec. 19. AS 04.11.500(a) is repealed and reenacted to read:

28 (a) One but not more than one of the following three questions,  
29 appearing alone, may be placed before the voters of a municipality or

1 an established village under AS 04.11.502:

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

4 (2) "Shall alcoholic beverages be sold in . . . . (name  
5 of municipality or established village) only by a liquor store? (yes  
6 or no)"; or

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

10 \* Sec. 20. AS 04.11.500(b) is amended to read:

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

29 \* Sec. 21. AS 04.11.500(c) is amended to read:

1 (c) If the majority of the voters vote "no" on one of the ques-  
2 tions [QUESTION] set out in (a) of this section or on the questions  
3 set out in AS 04.11.490 or 04.11.496, or vote "yes" on the question  
4 [QUESTIONS] set out in AS [04.11.490,] 04.11.492, [04.11.496,] or this  
5 section if a different type [TYPES] of license is [LICENSES ARE]  
6 listed on the ballot in an election conducted under [IN ACCORDANCE  
7 WITH] AS 04.11.502 after an election in which the voters voted "yes"  
8 on the question set out in (a) of this section, the board shall be  
9 notified immediately after certification of the results of the electio  
10 A license [LICENSES] in effect in the municipality, in the unincor-  
11 porated area outside of but within five miles of the boundaries of the  
12 municipality or established village that was [WERE] excepted from the  
13 prohibition on sale in accordance with the results of the earlier  
14 election are void 90 days after the results of the election are cer-  
15 tified. Thereafter the board may not issue, renew, or transfer be-  
16 tween holders or locations a license for licensed premises located  
17 within the boundaries of the municipality or within the perimeter of  
18 an established village, or in an unincorporated area within five miles  
19 of the boundaries of the municipality, except a license that may be  
20 issued to a municipality or to a [ONE OF THE] types of license [LI-  
21 CENSES] listed on the ballot as a result of a majority of the voters  
22 voting "yes" on either of the questions [QUESTION] set out in AS 04.-  
23 11.492 or this section, respectively. A license that will expire  
24 during the 90 days after the results of a local option election under  
25 this section are certified may be extended, until it is void under  
26 this subsection, by payment of a prorated portion of the annual li-  
27 cense fee.

28 \* Sec. 22. AS 04.11.500 is amended by adding new subsections to read:

29 (d) If one of the questions set out in (a) of this section is

1 placed on the ballot of an established village in which there are no  
2 licensed premises, the lieutenant governor shall, at least 10 days  
3 before the election, post written notice at two public places within  
4 the established village of the requirements in AS 04.11.320(a) con-  
5 cerning issuance of a new license in an established village in which  
6 there are no licensed premises.

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

12 (f) In this section,

- 13 (1) "bar" means a beverage dispensary;  
14 (2) "liquor store" means a package store;  
15 (3) "restaurant" means a restaurant or eating place.

16 \* Sec. 23. AS 04.11.502(a) is amended to read:

17 (a) The local governing body of a municipality, whenever a  
18 number of registered voters equal to at least 35 percent of the number  
19 of votes cast at the last regular municipal election petition the  
20 local governing body to do so, shall place upon a separate ballot at  
21 the next regular election or at a special election whichever question  
22 [OR COMBINATION OF QUESTIONS] set out in AS 04.11.490 - 04.11.500  
23 constitutes the subject of the petition. The local governing body  
24 shall conduct the election in accordance with the election ordinance  
25 of the municipality and may prepare the election ballots in English  
26 and a second language specified by the local governing body.

27 \* Sec. 24. AS 04.11.502(b) is amended to read:

28 (b) The lieutenant governor, whenever 35 percent of the regis-  
29 tered voters residing within an established village petition the

1 lieutenant governor to do so, shall place upon a separate ballot at a  
2 special election that question [OR COMBINATION OF QUESTIONS] set out  
3 in AS 04.11.490 - 04.11.500 that constitutes the subject of the peti-  
4 tion. The lieutenant governor shall conduct the election in the  
5 general manner prescribed by the Alaska Election Code (AS 15).

6 \* Sec. 25. AS 04.11.502(e) is amended to read:

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

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

11 (2) application filed under AS 29.26.110 shall contain the  
12 question [OR COMBINATION OF QUESTIONS] set out under AS 04.11.490 -  
13 04.11.500 rather than containing an ordinance or resolution;

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

17 \* Sec. 26. AS 04.11.502 is amended by adding a new subsection to read:

18 (f) After a petition has been filed under (b) of this section,  
19 the local governing body of the established village may request that  
20 ballots for an election under (b) of this section be prepared in  
21 English and in a second language specified by the local governing  
22 body. The lieutenant governor shall honor a request made under this  
23 subsection if the local governing body makes its request within 15  
24 days after a petition is filed under (b) of this section, the second  
25 language specified by the local governing body has a written form, and  
26 a qualified translator is available.

27 \* Sec. 27. AS 04.11.504(a) is amended to read:

28 (a) If a prohibition imposed on the issuance, renewal, transfer,  
29 or relocation of licenses between holders and locations under

1 AS 04.11.490, 04.11.496, or 04.11.498 [AS 04.11.490 - 04.11.500] is  
2 removed by a vote of "yes" ["NO"] on a question for which the majority  
3 of the people voted "no" ["YES"] in an earlier election, the board  
4 shall, upon application, issue the same number and type of licenses  
5 that were in effect in the municipality or established village on the  
6 date of certification of the earlier election. If the prohibition  
7 imposed on issuance, renewal, transfer, or relocation of licenses  
8 between holders and locations is removed by a "yes" vote on a question  
9 set out in AS 04.11.492 and 04.11.500, the board may issue the types  
10 of licenses specified in the question presented to the voters in the  
11 subsequent election. Licenses may be issued for the same or other  
12 premises within the municipality or established village that were  
13 licensed on the date of certification of the earlier election. How-  
14 ever, if the local governing body requests that fewer licenses of a  
15 particular type be issued than would otherwise be issued if the pro-  
16 visions prescribing the ratio of population to licensed premises in AS  
17 04.11.400(a) are applied, only the number of licenses of that particu-  
18 lar type requested by the local governing body may be issued by the  
19 board. Priority shall be given applicants who were formerly licensees  
20 and whose licenses were not renewed because of the results of the  
21 previous election. However, these applicants have no legal right to a  
22 license and the board is not required to approve the application.

23 \* Sec. 28. AS 04.11.506 is amended to read:

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

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

6 (1) the board shall notify by certified [REGISTERED] mail  
7 all [HOLDERS OF] package store licensees who are authorized by the  
8 board to sell alcoholic beverages in response to a written sollicita-  
9 tion. [LICENSEES] of the prohibition;

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

12 \* Sec. 29. AS 04.16 is amended by adding a new section to read:

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

19 \* Sec. 30. AS 04.16.125(a) is amended to read:

20 (a) A person may not use a common carrier to transport alcoholic  
21 beverages into an area that has restricted the sale of alcoholic  
22 beverages under AS 04.11.490, 04.11.492, or 04.11.500 and a common  
23 carrier may not knowingly transport alcoholic beverages into an area  
24 that has restricted the sale of alcoholic beverages under AS 04.11.-  
25 490, 04.11.492, or 04.11.500 unless

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

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(2) an itemized invoice showing the purchase value of the alcoholic beverages is attached, by the purchaser or the licensee who sells the alcoholic beverages, to the outside of the shipping container.

\* Sec. 31. This Act takes effect July 1, 1990.