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SENATE COMMITTEE REPORT

FURTHER

5/6/89

DATE TURNED INTO OFFICE 5/2/90

Mr. President:

Finance

Committee considered SB 297

licensing, sale, transportation, importation, and possession of alcoholic beverages; relating to local option election ballots; efd

and recommended

- replace with _____ CS SB 297 (Fin)) same title
- or adopt _____ CS _____) new title
- attached amendment(s) and technical title change (HB only)
- _____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

- FISCAL NOTE(S) ^{2: DOR; Gov} zero fiscal impact appropriation no FN
- new updated previous
- same as previous fiscal note(s) published _____

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

[Handwritten signatures]

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Chair: *[Signature]* signature and recommendation

Committee Backup attached

R/0 SFC 2-2-90

STATE OF ALASKA
1990 LEGISLATIVE SESSION

BILL VERSION: SB 297

PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Dept. of Revenue
Title: Licensing, sale, transportation, importation, & Possession of alcoholic beverages,
local option ballots BRU: 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	-0-	-0-	-0-	-0-	-0-	-0-
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: 12/14/89

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

7/0 JFC 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 mww

REQUEST: FISCAL NOTE

Revision Date: _____ Agency Affected: DOT&PF
Title: An Act relating to licensing, sale, transportation, BRU: Engineering & Operations Standards
Importation, and possession of alcoholic beverages: ...
Sponsor: Binkley Components:
Requestor: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
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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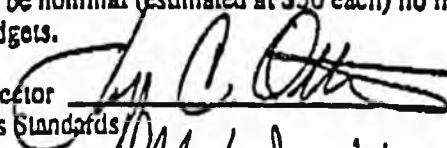
FUNDING: (THOUSANDS OF DOLLARS)

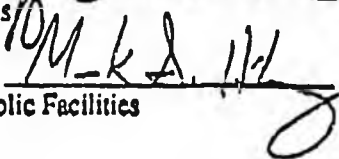
GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

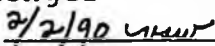
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: The bill would require the department to post signs at community boundaries indicating that said community prohibits the importation or possession (as appropriate) of alcoholic beverages. This provision only applies when the community is on the connected highway system, thus the number of communities expected to be posted will be small. As the cost of these signs will be nominal (estimated at \$50 each) no increased fiscal cost is shown. These signs will be covered within existing budgets.

Prepared by: Jeffery C. Ottesen, Director  Phone: 465-2951
Division: Engineering and Operations Standards Date: May 7, 1989

Approved by Mark S. Hickey, Commissioner:  Date: 5/8/89
Agency: Department of Transportation and Public Facilities

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

CSSB 297 (Fin) removes reference to DOT. This note is no longer pertinent. 2/2/90 

6-0314E .
Ford
1/31/90

ADOPTED by SFC
2/2/90

Original sponsor(s): SEN. BINKLEY

page 18
Sec 27, 28, 29
DELETED

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 297 (Finance)

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 04.11.490 is amended to read:

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

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

21 (b) If a majority of the voters vote "no" ["YES"] on the ques-
22 tion set out in (a) of this section, the board shall be notified
23 immediately after certification of the results of the election and
24 thereafter the board may not issue, renew, or transfer between holders
25 or locations a license for licensed premises located within the bound-
26 aries of a municipality and in unincorporated areas within five miles
27 of the boundaries of the municipality or within the perimeter of an
28 established village. Licenses that may not be renewed because of a
29 local option election held under this section are void 90 days after

1 the results of the election are certified. A license that will expire
2 during the 90 days after the results of a local option election under
3 this section are certified may be extended, until it is void under
4 this subsection, by payment of a prorated portion of the annual li-
5 cense fee.

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

17 * Sec. 6. AS 04.11.492(a) is repealed and reenacted to read:

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

21 (1) "shall alcoholic beverages be sold in (name
22 of municipality) only by a bar operated by (name of municipality)?
23 (yes or no)"; or

24 (2) "Shall alcoholic beverages be sold in (name
25 of municipality) only by a liquor store operated by (name of munici-
26 pality)? (yes or no)."

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

28 (b) If a majority of the voters vote "yes" on either of the
29 questions [QUESTION] set out in (a) of this section, the board shall

1 be notified immediately after certification of the results of the
2 election and thereafter may not issue, renew, or transfer between
3 holders or locations a license for licensed premises located within
4 the boundaries of a municipality and in unincorporated areas within
5 five miles of the boundaries of the municipality, with the exception
6 of a beverage dispensary or package store operated under a community
7 liquor license held by the municipality. Licenses in effect are void
8 90 days after the results of the election are certified. A license
9 that will expire during the 90 days after the results of a local
10 option election under this section are certified may be extended,
11 until it is void under this subsection, by payment of a prorated
12 portion of the annual license fee.

13 * Sec. 8. AS 04.11.492(c) is amended to read:

14 (c) If a majority of the voters vote "no" on either of the
15 questions [QUESTION] set out in (a) of this section or vote "no"
16 ["YES"] on a question set out in AS 04.11.490, or 04.11.496, or vote
17 "yes" on a question set out in AS 04.11.500 in an election conducted
18 in accordance with AS 04.11.502 after an election in which the voters
19 voted "yes" on either of the questions [QUESTION] set out in (a) of
20 this section, the board shall be notified immediately after a certi-
21 fication of the results of the election. The prohibitions imposed
22 under (b) of this section on the issuance, renewal, or transfer of
23 licenses between holders and locations as a result of the earlier
24 election are removed 90 days after the results of the election are
25 certified except insofar as those prohibitions are imposed under [IN
26 ACCORDANCE WITH] the results of the subsequent election.

27 * Sec. 9 AS 04.11.492 is amended by adding new subsections to read:

28 (d) In preparing the ballot for an election on either of the two
29 questions set out in (a) of this section, the local governing body

1 shall include an explanation of the authority to sell alcoholic beverages
2 given to a beverage dispensary licensee, if the question listed
3 in (a)(1) of this section is on the ballot, or on explanation of the
4 authority to sell alcoholic beverages given to a package store li-
5 censee, if the question listed in (a)(2) of this section is on the
6 ballot.

7 (e) In this section,

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

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

10 * Sec. 10. AS 04.11.496 is amended to read:

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

17 (b) If a majority of the voters vote "no" ["YES"] on the ques-
18 tion set out in (a) of this section, a person, beginning on the first
19 day of the month following certification of the results of the elec-
20 tion, may not knowingly send, transport, or bring an alcoholic bever-
21 age into the municipality or established village, unless the alcoholic
22 beverage is sacramental wine to be used for bona fide religious pur-
23 poses based on tenets or teachings of a church or religious body, is
24 limited in quantity to the amount necessary for religious purposes,
25 and is dispensed only for religious purposes by a person authorized by
26 the church or religious body to dispense the sacramental wine. The
27 board shall be notified immediately after certification of the results
28 of the election and thereafter may not issue, renew, or transfer
29 between holders or locations a license for licensed premises located

1 within the boundaries of the municipality and within unincorporated
2 areas within five miles of the boundaries of the municipality or
3 within the perimeter of the established village. Licenses that may not
4 be renewed because of a local option election held under this section
5 are void 90 days after the results of the election are certified. A
6 license that will expire during the 90 days after the results of a
7 local option election under this section are certified may be ex-
8 tended, until it is void under this subsection, by payment of a pro-
9 rated portion of the annual license fee.

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

23 * Sec. 11. AS 04.11.498(a) is amended to read:

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

29 * Sec. 12. AS 04.11.498(b) is amended to read:

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

18 * Sec. 13. AS 04.11.498(c) is amended to read:

19 (c) If a majority of the voters of an established village vote
20 "no" ["YES"] on the question set out in (a) of this section and the
21 sale of alcoholic beverages, or the sale and importation of alcoholic
22 beverages, has not been previously prohibited in the established
23 village in accordance with AS 04.11.490 or 04.11.496, a person [,
24 BEGINNING 90 DAYS AFTER CERTIFICATION OF THE RESULTS OF THE ELECTION,]
25 may not knowingly possess an alcoholic beverage in the established
26 village, unless the person is licensed by the board or the alcoholic
27 beverage is wine to be used for bona fide religious purposes based on
28 tenets or teachings of a church or religious body, is limited in
29 quantity to the amount necessary for religious purposes, and is

1 dispensed only for religious purposes by a person recognized by the
2 church or religious body as authorized to dispense the wine. If there
3 are licensed premises within the established village, the prohibition
4 is effective beginning 90 days after the results of the election are
5 certified. If there are no licensed premises within the established
6 village, the prohibition is effective beginning 60 days after the
7 results of the election are certified. The board shall be notified
8 immediately after certification of the results of the election and
9 thereafter may not issue, renew, or transfer between holders or lo-
10 cations a license for licensed premises located within the perimeter
11 of the established village [AS DEFINED IN AS 04.21.080(b)(8)]. Li-
12 censes that may not be renewed because of a local option election held
13 under this section are void 90 days after the results of the election
14 are certified. A license that will expire during the 90 days after
15 the results of a local option election under this section are certi-
16 fied may be extended until it is void under the section, by payment of
17 a prorated portion of the annual license fee.

18 * Sec. 14. AS 04.11.498(d) is amended to read:

19 (d) If a majority of the voters of a municipality vote "no"
20 ["YES"] on the question set out in (a) of this section, and the sale
21 of alcoholic beverages, or the sale and importation of alcoholic
22 beverages, has been previously prohibited in the municipality in
23 accordance with AS 04.11.490 or 04.11.496, an ordinance is adopted
24 that becomes effective beginning on the first day of the month follow-
25 ing certification of the results of the election, and a person may not
26 knowingly possess an alcoholic beverage in the municipality, unless
27 the alcoholic beverage is wine to be used for bona fide religious
28 purposes based on tenets or teachings of a church or religious body,
29 is limited in quantity to the amount necessary for religious purposes,

1 and is dispensed only for religious purposes, by a person recognized
2 by the church or religious body as authorized to dispense the wine.
3 The board shall be notified immediately after certification of the
4 results of the election and thereafter may not issue, renew, or trans-
5 fer between holders or locations a license for licensed premises
6 located within the boundaries of the municipality and within unincor-
7 porated areas within five miles of the boundaries of the municipality.

8 * Sec. 15. AS 04.11.498(e) is amended to read:

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

1 prohibition is effective beginning 60 days after the results of the
2 election are certified. Licenses that may not be renewed because of a
3 local option election held under this section are void 90 days after
4 the results of the election are certified. A license that will expire
5 during the 90 days after the results of a local option election under
6 this section are certified may be extended, until it is void under
7 this section, by payment of a prorated portion of the annual fee.

8 * Sec. 16. AS 04.11.498(f) is amended to read:

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

18 * Sec. 17. AS 04.11.500(a) is repealed and reenacted to read:

19 (a) One but not more than one of the following three questions,
20 appearing alone, may be placed before the voters of a municipality or
21 an established village under AS 04.11.502:

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

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

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

1 * Sec. 18. AS 04.11.500(b) is amended to read:

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

20 * Sec. 19. AS 04.11.500(c) is amended to read:

21 (c) If the majority of the voters vote "no" on one of the ques-
22 tions [QUESTION] set out in (a) of this section or on the questions
23 set out in AS 04.11.490 or 04.11.496, or vote "yes" on the question
24 [QUESTIONS] set out in AS [04.11.490,] 04.11.492, [04.11.496,] or this
25 section if a different type [TYPES] of license is [LICENSES ARE]
26 listed on the ballot in an election conducted under [IN ACCORDANCE
27 WITH] AS 04.11.502 after an election in which the voters voted "yes"
28 on the question set out in (a) of this section, the board shall be
29 notified immediately after certification of the results of the

1 election. A license [LICENSES] in effect in the municipality, in the
2 unincorporated area outside of but within five miles of the boundaries
3 of the municipality or established village that was [WERE] excepted
4 from the prohibition on sale in accordance with the results of the
5 earlier election are void 90 days after the results of the election
6 are certified. Thereafter the board may not issue, renew, or transfer
7 between holders or locations a license for licensed premises located
8 within the boundaries of the municipality or within the perimeter of
9 an established village, or in an unincorporated area within five miles
10 of the boundaries of the municipality, except a license that may be
11 issued to a municipality or to a [ONE OF THE] types of license [LI-
12 CENSES] listed on the ballot as a result of a majority of the voters
13 voting "yes" on either of the questions [QUESTION] set out in AS 04.-
14 11.492 or this section, respectively. A license that will expire
15 during the 90 days after the results of a local option election under
16 this section are certified may be extended, until it is void under
17 this subsection, by payment of a prorated portion of the annual li-
18 cense fee.

19 * Sec. 20. AS 04.11.500 is amended by adding new subsections to read:

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

27 (e) In preparing the ballot for an election on one of the ques-
28 tions set out in (a) of this section, the local governing body or the
29 lieutenant governor shall include an explanation of the authority to

1 sell alcoholic beverages given to the type of license that would be
2 exempt from the prohibition on the sale of alcoholic beverages.

3 (f) In this section,

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

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

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

7 * Sec. 21. AS 04.11.502(a) is amended to read:

8 (a) The local governing body of a municipality, whenever a
9 number of registered voters equal to at least 35 percent of the number
10 of votes cast at the last regular municipal election petition the
11 local governing body to do so, shall place upon a separate ballot at
12 the next regular election or at a special election whichever question
13 [OR COMBINATION OF QUESTIONS] set out in AS 04.11.490 - 04.11.500
14 constitutes the subject of the petition. The local governing body
15 shall conduct the election in accordance with the election ordinance
16 of the municipality and may prepare the election ballots in English
17 and a second language specified by the local governing body.

18 * Sec. 22. AS 04.11.502(b) is amended to read:

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

26 * Sec. 23. AS 04.11.502(e) is amended to read:

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

29 (1) number of required signatures is determined under (a)

1 of this section rather than under AS 29.26.130;

2 (2) application filed under AS 29.26.110 shall contain the
3 question [OR COMBINATION OF QUESTIONS] set out under AS 04.11.490 -
4 04.11.500 rather than containing an ordinance or resolution;

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

8 * Sec. 24. AS 04.11.502 is amended by adding a new subsection to read:

9 (f) After a petition has been filed under (b) of this section,
10 the local governing body of the established village may request that
11 ballots for an election under (b) of this section be prepared in
12 English and in a second language specified by the local governing
13 body. The lieutenant governor shall honor a request made under this
14 subsection if the local governing body makes its request within 15
15 days after a petition is filed under (b) of this section, the second
16 language specified by the local governing body has a written form, and
17 a qualified translator is available.

18 * Sec. 25. AS 04.11.504(a) is amended to read:

19 (a) If a prohibition imposed on the issuance, renewal, transfer,
20 or relocation of licenses between holders and locations under AS 04.-
21 11.490, 04.11.496, or 04.11.498 [AS 04.11.490 - 04.11.500] is removed
22 by a vote of "yes" ["NO"] on a question for which the majority of the
23 people voted "no" ["YES"] in an earlier election, the board shall,
24 upon application, issue the same number and type of licenses that were
25 in effect in the municipality or established village on the date of
26 certification of the earlier election. If the prohibition imposed on
27 issuance, renewal, transfer, or relocation of licenses between holders
28 and locations is removed by a "yes" vote on a question set out in
29 AS 04.11.492 and 04.11.500, the board may issue the types of licenses

1 specified in the question presented to the voters in the subsequent
2 election. Licenses may be issued for the same or other premises
3 within the municipality or established village that were licensed on
4 the date of certification of the earlier election. However, if the
5 local governing body requests that fewer licenses of a particular type
6 be issued than would otherwise be issued if the provisions prescribing
7 the ratio of population to licensed premises in AS 04.11.400(a) are
8 applied, only the number of licenses of that particular type requested
9 by the local governing body may be issued by the board. Priority shall
10 be given applicants who were formerly licensees and whose licenses
11 were not renewed because of the results of the previous election.
12 However, these applicants have no legal right to a license and the
13 board is not required to approve the application.

14 * Sec. 26. AS 04.11.506 is amended to read:

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

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

26 (1) the board shall notify by certified [REGISTERED] mail
27 all [HOLDERS OF] package store licensees who are authorized by the
28 board to sell alcoholic beverages in response to a written sollicita-
29 tion. [LICENSES] of the prohibition;

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

* Sec. 27. AS 04.16.010(a) is amended to read:

(a) A person may not sell, offer for sale, give, furnish, or deliver [OR CONSUME] an alcoholic beverage on premises licensed as a package store between the hours of 12:00 a.m. and 8:00 a.m. each day, or sell, offer for sale, give, furnish, deliver, or consume an alcoholic beverage on other premises licensed under this title between the hours of 5:00 a.m. and 8:00 a.m. each day.

* Sec. 28. AS 04.16.010(c) is amended to read:

(c) A licensee, an agent, or employee may not permit a person to enter and a person may not enter premises licensed as a package store between the hours of 12:00 a.m. and 8:00 a.m., or other premises licensed under this title between the hours of 5:00 a.m. and 8:00 a.m. each day. This subsection does not apply to common carriers or to an employee of the licensee who is on the premises to prepare for the next day's business. A person may enter or remain on the premises of a bona fide restaurant or eating place licensed under this title to consume food or nonalcoholic beverages.

* Sec. 29. AS 04.16.015 is amended by adding a new subsection to read:

(e) A package store licensee may not sell or offer for sale alcoholic beverages at a price below the wholesale price paid by the package store licensee, plus not less than eight percent of the retail selling price and applicable shipping costs.

* Sec. 30. AS 04.16 is amended by adding a new section to read:

Sec. 04.16.105. POSSESSION OF PRODUCTS DESIGNED FOR BREWING OR DISTILLING. A person may not knowingly possess a product designed only for brewing or distilling an alcoholic beverage if the person is under the age of 21 years or if the person is in an area that has

Delete

1 restricted the sale and importation or possession of alcoholic bever-
2 ages under AS 04.11.496 or 04.11.498.

3 * Sec. 31. AS 04.16.125(a) is amended to read:

4 (a) A person may not use a common carrier to transport alcoholic
5 beverages into an area that has restricted the sale of alcoholic
6 beverages under AS 04.11.490, 04.11.492, or 04.11.500 and a common
7 carrier may not knowingly transport alcoholic beverages into an area
8 that has restricted the sale of alcoholic beverages under AS 04.11.-
9 490, 04.11.492, or 04.11.500 unless

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

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

18 * Sec. 32. This Act takes effect July 1, 1990.
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OFFICE OF THE PRESIDENT

MEMBER

TENTH ALASKA LEGISLATURE
ELEVENTH ALASKA LEGISLATURE
TWELFTH ALASKA LEGISLATURE
THIRTEENTH ALASKA LEGISLATURE
FOURTEENTH ALASKA LEGISLATURE
FIFTEENTH ALASKA LEGISLATURE
SIXTEENTH ALASKA LEGISLATURE



SENATOR TIM KELLY

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 485-3822

P.O. BOX 210001
ANCHORAGE, ALASKA 99521
(907) 561-7612

TO: Senator John Binkley
Co-chairman, Finance

FROM: Tim Kelly
Senate President *TK*

DATE: January 30, 1990

RE: CS for SB 297

Thank you for including the amendments I had previously requested in the Committee Substitute for SB 297.

Please remove the amendment in Section 29 and add the amendment regarding new hours of operation in Sections 27 and 28.

I appreciate your consideration of this request.

OFFICE OF THE PRESIDENT

MEMBER

TENTH ALASKA LEGISLATURE
ELEVENTH ALASKA LEGISLATURE
TWELFTH ALASKA LEGISLATURE
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FOURTEENTH ALASKA LEGISLATURE
FIFTEENTH ALASKA LEGISLATURE
SIXTEENTH ALASKA LEGISLATURE



SENATOR TIM KELLY

2/2/90

P.O. BOX V
JUNEAU, ALASKA 99811
(907) 485-3822

P.O. BOX 210001
ANCHORAGE, ALASKA 99521
(907) 581-7612

TO: Senator John Binkley
Co-chairman, Finance

FROM: Tim Kelly
Senate President *TDK*

DATE: January 30, 1990

RE: CS for SB 297

Thank you for including the amendments I had previously requested in the Committee Substitute for SB 297.

The amendments, Section 27 - AS 04.16.010 (a); Section 28 - AS 04.16.010(c) and Section 29 - AS 04.16.015, were placed in the bill by request. Both items will help to curb the sale of alcoholic beverages from package liquor stores.

I appreciate your consideration of this request.

Senator Johne Binkley

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



Finance Committee
Co-Chairman

MEMORANDUM

February 1, 1990

TO: Senate Finance Committee

FROM: Senator Johne Binkley

RE: Sectional Analysis of Proposed Finance CSSB 297,
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 16 which limits the notification only to those package store licensees which are authorized 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)?" The current language 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, 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 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.

Sections Twenty-Seven and Twenty-Eight. These sections limit the hours which a package store may operate. Under this provision, package stores would have to close for sales between the hours of midnight and 8:00 a.m. Only employees or delivery people would be allowed to be on the premises during those hours.

Section Twenty-Nine. This sets a minimum price for the sale of alcohol by a package store licensee. It provides that he may not sell his product for less than the wholesale price plus 8% and whatever the shipping costs equal.

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

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS
P.O. BOX AF
JUNEAU, ALASKA 99811-0105
PHONE (907) 465-4611

COMMENTS REGARDING
WORK DRAFT DATED 1/27/90
CS FOR SENATE BILL NO. 297 (Finance)

Prepared by
Division of Elections
January 30, 1990

The Division of Elections has reviewed the work draft for the Finance Committee Substitute for Senate Bill 297. The concerns raised by the Division of Elections relate to some of the technical issues covered by the bill, rather than its intent or general philosophy. Additionally, the comments prepared by this Division do not necessarily cover issues more closely related to the responsibilities or areas of expertise of the Alcoholic Beverage Control Board or Department of Community and Regional Affairs.

Based on our review of the work draft, the Division of Elections is concerned that certain provisions will leave in question the interpretation which is to be applied, or will lead to confusion on the part of the voter.

Sections 3 and 4. AS 04.11.490 (a) and (b)

These provisions modify the options which, under the current statute allows a local governing body to put before the voters the question as to whether or not the community would be allowed to apply for a community liquor license to operate a beverage dispensary or package store, or both.

Under the new scheme, only one choice could be put on the ballot. The local governing body would have to choose between a bar or a package store, and only that one choice could be offered to the voter on the ballot.

While it could be argued that simplification of the question makes the voter's desire more easily understood, the Division believes that other more fundamental questions and interpretations are left less clear. For example:

1. Does the construction of this language imply that a community could NOT operate under both types of licenses? Would the single option language mean that the community

would not be eligible to also operate under the second type of license even if the voters voted in favor of a community license put before them at the initial election?

2. If the language is not intended to restrict a community to only operating under one type of license, how much time would have to lapse between the two separate elections? Must a 12 month period lapse between the two separate elections? Under AS 04.11.502 (d), an election to remove a restriction previously imposed may not be conducted more than once every 12 months. In the context of the single choice pertaining to community licenses, would a "no" vote on one of the options be considered "a restriction previously imposed" prohibiting the second option being put before the voters for 12 months?

Sections 5, 6, 7, 8 - AS 04.11.192 (a) through (d)

These provisions as provided in the work draft also present potential confusion as to the intent. Under current law, community licenses are only issued to the local governing body of a municipality and may not be issued to an established village. The construction of these provisions as drafted may unintentionally imply an intent to change the law to allow established villages to obtain community licenses.

1. AS 04.11.492 (a), as written states that the either of the questions may be placed before the "voters of a municipality" under AS 04.11.502. Subsection 502 refers to the method by which an election is called. In its entirety, it covers both municipalities and established villages. The specific wording "voters of a municipality" may be explicit enough in maintaining community licenses only for incorporated communities, if the intent were not muddled by Section 8.
2. Section 8 covers the preparation of the ballot for the questions set out in AS 04.11.492. This provision, in addition to outlining the ballot preparation requirements for local governing bodies of municipalities, also imposes certain mandates on the Lieutenant Governor in preparing the ballots for elections held under the same provisions. The Lieutenant Governor is responsible for the conduct of elections in established villages, leading to some confusion as to the actual intent of the bill with regard to the allowability of community licenses in the unorganized borough.

Sections 4, 9, 10 - AS 04.11.490 (a), AS 04.11.496 (a),
AS 04.11.498 (a)

These provisions identify certain questions which may be posed in liquor option elections to determine the voters' desire to restrict

or prohibit various activities involving alcohol. In each of the questions the wording has been changed in a way which could result in voter confusion. The questions in current statute are posed in a way that asks if the activity should be prohibited. A YES vote clearly means it should be prohibited, while a NO vote means it should not be prohibited.

While it may have been the intent to exchange the word "prohibited" to words which are more commonly understood and readable, the wording proposed may be even less clear. The Division is concerned that the voters may have difficulty in determining whether the YES vote or the NO vote more accurately reflects their desire. In fact, the new wording requires a YES vote to get a negative result.

For example, the question posed in AS 04.11.498 reads, "Shall the possession of alcoholic beverages not be allowed in.....?" The voter will have to consider between the following responses.

1. YES possession should not be allowed: or,
2. NO possession should not be allowed.

Under AS 15.45 amendments were enacted in 1988 which require that ballot propositions be worded so that a YES vote on the proposition clearly is a vote to enact a proposed law. The Division of Elections is concerned that as proposed in the work draft, the language does not fulfill the intent suggested for ballot wording in Title 15.

Section 15 - AS 04.11.500

SB 297 requires that if a request is made by the local governing body within 15 days of the filing of the petition for a local option election, the Lieutenant Governor will print the ballots in English and a second language specified by the local governing body. As the Division has expressed, our support of this provision which would require printing ballots in Native languages as well as English, has been cautious because of our concern about our ability to administer it accurately, uniformly and neutrally. It is our understanding that many of the Native languages (and their various dialects) are not considered "written languages". We have also been advised that often the very population that speaks little or no English would also be the very population who would be unable to read their own language if it was written.

From an administrative view point, we are concerned that our access to qualified translators may be limited, as would our ability to adequately proofread the ballots. However because the actual wording of liquor option questions is set in statute and not subject to variation, the Division believed that printing these ballots in Native languages as well as in English may be manageable. Our support was specifically hinged on the fact that the questions were simple, one sentence propositions.

However, under AS 04.11.500 (d) in the work draft a whole element is added which would make the issue more complex. This provision also requires that the ballots include an explanation of the authority to sell alcoholic beverages given to each type of license identified in the ballot question. The provision does not specify what the explanation of authority is to include. For some types of licenses the statutory description of the authority is quite lengthy, including not only what is authorized, but also what is not authorized. The requirement certainly makes the translation issue more complex and variable. The Division is, therefore, even more concerned about the length of the ballot measures which will include both English and Native language translations, and the accuracy with which translations can be obtained and monitored.

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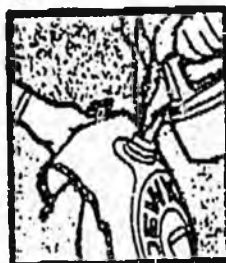


20



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Brewsack Inc
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WA 98004

For the attention of
Mr Gordon Hamers

14 April 89

Re: Sale of Brewsacks for Home Consumption.

Dear Sir:

Further to our telephone conversation today, I have enclosed details on our new product - The Brewsack.

By the most convenient method yet devised, Brewsack allows the purchaser to ferment beer in his own home without bottles, caps and other brewing paraphernalia.

An outer woven sheath contains a sealed plastic sack, itself containing a premeasured amount of brewer's wort. The purchaser simply adds the correct amount of water and a small amount of yeast which is supplied with the package.

Fermentation takes about 21 days to complete. The spigot at the bottom of the sack dispenses the draft beer directly into a glass. The gas by product of fermentation retained in the sack (up to about 10 lbs pressure) assists in dispensing and maintains gas levels in the beer.

The main ingredient in the wort is liquified malt extract, with sugar and hops in small quantities. The product is absolutely free of preservatives, additives or other chemicals and when sold, is totally devoid of alcohol.

We would like to sell this product in Alaska directly, or through a variety of suppliers within the state. May we receive from your agency a letter stating that sales of this product do not violate any existing liquor or alcoholic beverage laws for home use by the consumer?

Would you also include a list of licensed package stores in Alaska with your reply? Thank you for your assistance.

Sincerely
BREWSACK INC

Barry M Bonser
Director