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**297**

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_ Agency Affected: Department of Revenue  
 Title: Licensing, sale, transportation & possession of alcoholic beverages relating to local option elections BRU: Alcoholic Beverage Control Board  
 Sponsor: Senator Binkley Components: \_\_\_\_\_  
 Requestor: Senate Labor & Commerce Committee

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

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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)**

Prepared by: Patrick L. Sharrock, Director Phone: 277-8638  
 Division: Alcoholic Beverage Control Board Date: May 1, 1989  
 Approved by Commissioner: Hugh Malone Date: 5/2/89  
 Agency: Department of Revenue

**Distribution (by preparer):**

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# Senator Johne Binkley

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Senate Finance Committee

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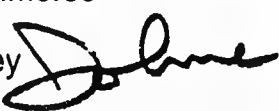


Finance Committee  
Co-Chairman

## MEMORANDUM

April 25, 1989

TO: Senator Dick Eliason, Chairman  
Senate Labor & Commerce

FROM: Senator Johne Binkley 

RE: SB 297, relating to licensing, sale, transportation, importation, and possession of alcoholic beverages; relating to local option election ballots; and providing for an effective date.

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I introduced the following bill in order to take care of some problems with the local option statutes. I've attached a sectional analysis for your review. As you will see, most of these amendments are technical.

The only change that might be considered substantive at all is in Section 8 which will allow an established village to have the local option ballots printed in both English and a second language of its choice.

In many villages around the State, the elders do not speak English but instead speak their traditional language. A question on a local option is very important. I feel it is critical that people understand what they're voting on. That is the purpose behind Section 8.

We've been working on this bill for quite some time in an effort to make sure it covers all the problems identified to date. I feel confident that is the case and, even though it is late in the session, I would greatly appreciate your scheduling it for a hearing prior to adjournment. Please contact Janice Adair in my office (4985) if you have any questions.

Thank you for your favorable consideration of this request.

MEMORANDUM

April 24, 1989

TO: Senate Labor & Commerce Committee  
FROM: Senator John Binkley  
RE: Sectional Analysis of SB 297, amendments to Title 04

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Section One. This section ties into the new notice requirements for package store licensees in Section Nine. It would require the Board to give authorization to a package store before they can sell in response to a written order and that authorization is only good for only year at a time. Currently, a package store licensee has to just inform the Board of its intent to sell by mail.

Section Two. This would bring the amount of distilled spirits that can be mail ordered in an area with restricted sales into compliance with the presumption provision. As you'll recall, there was an amendment on the floor of the House at the end of last session which increased the mail order amount to 18 liters. This would drop it back down to 12.

Section Three. 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.

Section Four. Makes the same change as Section Two, above as it relates to municipalities.

Section Five. This is one of the more confusing sections and 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.

This section would require the Board to make this known to the residents of a village which is going to have an election on one of these questions. The Board would

Sectional Analysis

have to post written notice of the requirements of AS 04.11.320 in two different public locations within the village.

Section Six. 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 Seven. Makes the same deletion of "combination of questions" for established villages.

Section Eight. 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 at least 90 days before the election in order to give his office time to prepare the ballots.

Section Nine. Requires that the ABC Board notify the Department of Transportation of the adoption of a local option and requires that DOT post notice of the ban of possession or sale and importation along the boundaries of the community if it is on a state highway that is connected to the state highway system.

If a community people can drive through adopts such an option, the prohibition should be disclosed to them.

This section also expand 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 requirement to the ban on possession.

It also includes a change to the Notice requirements and ties into Section One, above. Under current law, the Board must send notice every package store licensee by registered mail of a new local option adoption. This amendment would require the Board to notice only those who have been authorized to sell in response to a written order and allow the notice to be sent by certified mail.

Section Ten. Last session in SB 371, it was required that alcohol being shipped into a community that 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.

While we do not want air carriers to suffer any liability for shipping alcohol that is not properly labeled, we do want them to at least ask if a box contains alcohol and

have a label available for the travellers use if it does. This section accomplishes that by stating 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 Eleven. This simply adds posting the signs required in Section Nine to the duties of DOT.