

SB

87

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 3/28/95

FURTHER:

DATE TURNED INTO OFFICE: 4-11-95

The Finance Committee considered SENATE BILL NO. 87

Community local options for control of alcoholic beverages; definition of 'alcoholic beverage'; purchase and sale of alcoholic beverages; alcohol server education courses; efd.

and recommends:

- be replaced with _____ CS SB 87 (FIN)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____
- further referral to the _____

Senate Bill:
 same title
 new title
 House Bill:
 same title

CS to follow

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>ROO E. (Roo)</i>	✓	<i>Steve Key</i>	✓		
<i>Best thing</i>	✓	<i>Wanda Dowley</i>	✓		
Co-Chair: <i>Don</i>	✓				
Co-Chair: <i>Rick Halford</i>	✓				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

DOR	3/3/95		

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

MEMO

TO: Legal Services

FROM: Kathy or Norma *KL*
Senate Finance Committee
465-4935 or 465-2618

DATE: April 11, 1995

RE: CS for SB 87 (Finance)

Please incorporate attached Amendments 1, 2, 3, and 5, within CSSB 87(Jud) to produce a final CSSB 87 (Fin) and return the original to Kathy or Norma, Room 520, Capitol Building. The bill was reported out of committee at the meeting this morning and has been read across the Senate into Rules. Please give us a call if you have questions. Thank you.

*1:00pm Phoned over to Legal Deletion
of Sec. 30.*

FISCAL NOTE

No. 1

Bill Version: SB 87

B (S) Publish Date: 3-20-95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Revenue
 Title: Alcoholic Beverages: Local BRU: Alcoholic Beverage Control Board
 Option and Misc. _____ Component: _____
 Sponsor: Senate Judiciary
 Requester: Senate C & RA COMPONENT SERIAL NO. 0100

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts (approx.)	5.0	5.0	5.0	5.0	5.0	5.0
1006 GF/MHTIA						
Other						
TOTAL	5.0	5.0	5.0	5.0	5.0	5.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Possible increase in revenue from 1) increase to penalty for filing late applications for renewal of license in Section 10, Page 5 and 2) fee collected from wholesale licensees for registration of brands in Section 8, Page 4.

Prepared by: Patrick L. Sharrock, Director
 Division: Alcoholic Beverage Control Board
 Approved by: _____
 Commissioner: Deborah Voigt
 Agency: Revenue

Phone: 277-8638
 Date: 3/1/95
 Date: 3/3/95

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Adopted
4-11-95 #1

9-LS0673VK.8
Ford
4/10/95

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: CSSB 87(JUD)

1 Page 13, after line 7:

2 Insert a new bill section to read:

3 **** Sec. 17.** AS 04.11.370 is amended by adding a new subsection to read:

4 (b) If the board finds that a licensee or permittee has been convicted of a
5 violation of a criminal law related to gambling under AS 11.66.200 - 11.66.280 ~~or the~~
6 ~~board receives notice from the Department of Revenue that a licensee or permittee has~~
7 ~~violated a provision of AS 05.15 related to gambling,~~ the board shall suspend the
8 license or permit for a period of at least **6** months if the offense is the person's first
9 conviction or violation and shall revoke the license or permit if the offense is the
10 person's second conviction or violation."

11 Renumber the following bill sections accordingly. *(c) If the board receives notice from D of R that a licensee or permittee has violated a provision of AS 0515 related to gambling the board may suspend or revoke the licence or permit. ~~suspend at least~~ and shall suspend for a period of at least 30 days ~~to~~ if the offense is the person's second violation.*

12 Page 32, after line 17:

13 Insert a new bill section to read:

14 **** Sec. 57.** AS 05.15 is amended by adding a new section to article I to read:

15 **Sec. 05.15.097. NOTICE TO THE ALCOHOLIC BEVERAGE CONTROL**
16 **BOARD.** If, after notice and hearing, the department determines that a person has
17 violated a provision of this chapter related to gambling and the person is a licensee
18 or permittee under AS 04, the department shall provide notice of the violation to the
19 Alcoholic Beverage Control Board."

20 Renumber the following bill sections accordingly.

21 Page 35, line 29:

Adopted 4-11-95

9-LS0673\K.7

Ford

4/10/95

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: CSSB 87(JUD)

1 Page 1, line 2, after "beverages;":

2 Insert "prohibiting persons from being on premises involving alcoholic beverages
3 under certain circumstances:"

4 Page 22, after line 25:

5 Insert a new bill section to read:

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

7 Sec. 04.16.025. ILLEGAL PRESENCE ON PREMISES INVOLVING
8 ALCOHOLIC BEVERAGES. (a) A person may not knowingly enter or remain on
9 premises

10 (1) in which alcoholic beverages are manufactured, sold, offered for
11 sale, possessed for sale or barter, trafficked in, or bartered in violation of

12 (A) AS 04.11.010; or

13 (B) a municipal ordinance adopted under AS 04.21.010(a) or
14 (b); or

15 (2) licensed under this title during hours in which the person's presence
16 on the premises is a violation of a municipal ordinance adopted under authority of
17 AS 04.16.010(d) providing for hours of closure that are outside the hours of closure
18 prescribed by AS 04.16.010(c).

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

20 Renumber the following bill sections accordingly.

21 Page 24, after line 3:

22 Insert a new bill section to read:

SENATE FINANCE
COMMITTEE

Amendment Number: 2

Bill Number: 51387

Sponsor: Donley Date: 4/10/95

Logged In By: [Signature]

1 ** Sec. 35. AS 04.16.180(a) is amended to read:

2 (a) Except as provided in AS 04.11.015, AS 04.16.025, 04.16.051
3 [AS 04 16.051], 04.16.200 - 04.16.210, and AS 04.21.065, a person who violates a
4 provision of this title or a regulation adopted by the board is guilty, upon conviction,
5 of a class A misdemeanor. Each violation is a separate offense."

6 Renumber the following bill sections accordingly.

7 Page 35, line 29:

8 Delete "sec. 75"

9 Insert "sec. 77"

10 Page 36, line 6:

11 Delete "Section 71"

12 Insert "Section 73"

13 Page 36, line 7:

14 Delete "sec. 31"

15 Insert "sec. 32"

16 Page 36, line 8:

17 Delete "secs. 71 and 74"

18 Insert "secs. 73 and 76"

Adopted 4-11-95

SENATE FINANCE
COMMITTEE
Amendment Number: 3
Bill Number: SB 87
Sponsor: Donley Date: 4/10/95
Logged In By: [Signature]
AMENDMENT

9-LS0673K.10
Ford
4/10/95

OFFERED IN THE SENATE
TO: CSSB 87(JUD)

BY SENATOR DONLEY

1 Page 1, line 1. following "An Act":

2 Insert "relating to the membership of the Alcoholic Beverage Control Board;"

3 Page 1, following line 5:

4 Insert new bill sections to read:

5 * Section 1. AS 04.06.020 is amended to read:

6 Sec. 04.06.020. APPOINTMENT AND QUALIFICATIONS. The board
7 consists of five members appointed by the governor and confirmed by a majority of
8 the members of the legislature in joint session. A member of the board may not hold
9 any other state or federal office, either elective or appointive. Two members of the
10 board shall be persons actively engaged in the alcoholic beverage industry, except that
11 no member may hold a wholesale license or be an officer, agent, or employee of a
12 wholesale alcoholic beverage enterprise. No three members of the board may be
13 engaged in the same business, occupation, or profession. At least three members of
14 the board shall represent the general public. A board member representing the
15 general public or an immediate family member of a board member representing
16 the general public may not be engaged in any ^{financial interest in} ~~activity~~ the alcoholic beverage
17 industry. A person who is employed in a program providing alcohol or
18 substance abuse counseling or related services is not considered to be engaged in
19 the alcoholic beverage industry. ^{not more than two members shall represent counseling or related} In this section, "immediate family member"
20 means a spouse, child, or parent. ^{services}

friendly Amend.

21 * Sec. 2. AS 04.06.060 is amended to read:

22 Sec. 04.06.060. QUORUM AND MAJORITY. Three members of the board
23 constitute a quorum for the conduct of business, except that at least two members
24 of a quorum must be members who represent the general public and a majority

1 of the whole membership of the board must approve all applications for new licenses,
2 and all renewals, transfers, suspensions, and revocations of existing licenses. If a
3 majority of the board is present and voting, the director, with the consent of the
4 members present, may cast a tie-breaking vote."

5
6 Page 1, line 6:

7 Delete "Section 1."

8 Insert "Sec. 3."

9 Renumber the following bill sections accordingly.

10 Page 35, line 11:

11 Delete "sec. 9"

12 Insert "sec. 11"

13 Page 35, line 29:

14 Delete "sec. 75"

15 Insert "sec. 78"

16 Page 36, after line 5:

17 Insert a new bill section to read:

18 "* Sec. 75. TRANSITION: BOARD MEMBERS. The provisions of secs. 1 and 2 of this
19 Act do not apply to a person who is serving as a member of the Alcoholic Beverage Control
20 Board on the effective date of this Act."

21 Renumber the following bill sections accordingly.

22 Page 36, line 6:

23 Delete "Section 71"

24 Insert "Section 73"

25 Page 36, line 7:

- 1 Delete "sec. 31"
- 2 Insert "sec. 33"

- 3 Page 36, line 8:
- 4 Delete "secs. 71 and 74"
- 5 Insert "secs. 73 and 77"

Adopted
4-11-95

SENATE FINANCE
COMMITTEE
Amendment Number: 5
Bill Number: SB 87
Sponsor: Sharp Date: 4/11/95
Logged In By: JJP

A M E N D M E N T

CSSB-87(JUD)

Offered by: Senator Bert Sharp

Page 14, line 21

After the word within DELETE [30] ADD 60

Page 14, line 22

After the word application. ADD A protest received after the 60 day period may not be accepted by the Board and in no event may a protest cause the Board to reconsider an approved renewal, relocation or transfer.

CORRECTION

Discard SB 0087c

and retain this corrected version.

File

CS FOR SENATE BILL NO. 87(~~JUD~~)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 3/28/95
Referred: Finance

Sponsor(s): SENATE JUDICIARY COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to community local options for control of alcoholic beverages;
2 relating to the control of alcoholic beverages; relating to the definition of
3 'alcoholic beverage'; relating to purchase and sale of alcoholic beverages; relating
4 to alcohol server education courses; and providing for an effective date."

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

6 * Section 1. AS 04.11.010(b) is amended to read:

7 (b) Except as provided in this subsection, a [A] person may not solicit or
8 receive orders for the delivery of an alcoholic beverage in an area that has adopted
9 a local option under AS 04.11.491. If the area has adopted a local option under
10 AS 04.11.491(a)(1), (2), or (3), or (b)(1) or (2), a package store licensee outside of
11 that local option area may receive orders as provided under AS 04.11.150 but may
12 not solicit in that area or receive orders through an agent or employee in that
13 area. This subsection does not apply to a package store licensee who operates a
14 package store in an area that has adopted a local option under

1 AS 04.11.491(a)(2)(C) or (3)(C) or (b)(2)(C) [WHERE THE RESULTS OF A
2 LOCAL OPTION ELECTION HAVE, UNDER AS 04.11.490 - 04.11.500,
3 PROHIBITED THE BOARD FROM ISSUING, RENEWING, OR TRANSFERRING
4 ONE OR MORE TYPES OF LICENSES OR PERMITS UNDER THIS TITLE,
5 UNLESS THE PERSON IS LICENSED UNDER THIS TITLE AND THE ORDER
6 IS ACTUALLY RECEIVED BY THAT PERSON FROM THE PURCHASER OF
7 THE ALCOHOLIC BEVERAGE]. A person who violates this subsection is
8 punishable upon conviction as provided under AS 04.16.200(a) or (b).

9 * Sec. 2. AS 04.11.010(c) is amended to read:

10 (c) In a criminal prosecution for possession of alcoholic beverages for sale in
11 violation of (a) of this section, the fact that a person possessed more than 12 liters of
12 distilled spirits, 24 liters or more of wine, or 12 gallons [45 LITERS] or more of malt
13 beverages in an area where the sale of alcoholic beverages is restricted or prohibited
14 under AS 04.11.491 [AS 04.11.490, 04.11.492, 04.11.496, OR 04.11.500] creates a
15 presumption that the person possessed the alcoholic beverages for sale.

16 * Sec. 3. AS 04.11.080 is amended to read:

17 Sec. 04.11.080. TYPES OF LICENSES AND PERMITS. Licenses and
18 permits issued under this title are as follows:

- 19 (1) beverage dispensary license;
- 20 (2) duplicate beverage dispensary license for additional rooms;
- 21 (3) restaurant or eating place license;
- 22 (4) club license;
- 23 (5) bottling works license;
- 24 (6) brewery license;
- 25 (7) package store license;
- 26 (8) general wholesale license;
- 27 (9) wholesale malt beverage and wine license;
- 28 (10) distillery license;
- 29 (11) common carrier dispensary license;
- 30 (12) retail stock sale license;
- 31 (13) recreational site license;

- 1 (14) [COMMUNITY LIQUOR LICENSE;
- 2 (15)] pub license;
- 3 (15) [(16)] winery license;
- 4 (16) [(17)] caterer's permit;
- 5 (17) [(18)] special events permit;
- 6 (18) [(19)] conditional contractor's permit;
- 7 (19) [(20)] brewpub license.

8 * Sec. 4. AS 04.11.100 is amended by adding a new subsection to read:

9 (f) Notwithstanding the provisions of (b) and (c) of this section, upon written
10 application and approval of the local governing body, the board may issue or reissue
11 a restaurant or eating place license and exempt the licensee from the requirements of
12 (b) and (c) of this section. A licensee exempt as provided in this subsection shall
13 provide food items for sale on the premises as shown on a menu approved by the
14 board and available to patrons. The board may not

15 (1) issue or reissue a license as provided under this subsection if

16 (A) the issuance or reissuance would result in more than one
17 exempt restaurant or eating place license for every 10 restaurant or eating place
18 licenses allowed under the provisions of AS 04.11.400(a)(2) or (3);

19 (B) the premises would be located in a building having a public
20 entrance within 200 feet of the boundary line of a school or a church
21 building in which religious services are being regularly conducted; for purposes
22 of this subparagraph, the 200-foot prohibition is measured from the outer
23 boundary line of the school or the public entrance of the church building by the
24 shortest pedestrian route to the nearest public entrance of the restaurant or
25 eating place;

26 (2) reissue a restaurant or eating place license as exempt as provided
27 under the provisions of this subsection if the license was issued under the provisions
28 of AS 04.11.400(g); or

29 (3) transfer an exempt license issued under this subsection to another
30 person.

31 * Sec. 5. AS 04.11.135(a) is amended to read:

1 (a) A brewpub license authorizes the holder of a beverage dispensary license
2 to

3 (1) manufacture on premises licensed under the beverage dispensary
4 license not more than 75,000 [16,000] gallons of beer in a calendar year; and

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

7 * Sec. 6. AS 04.11.135(b) is amended to read:

8 (b) Except as provided under AS 04.11.360(10) [AS 04.11.360(12)], the
9 brewpub license is not transferable, shall remain the property of the state, and is not
10 subject to any form of alienation.

11 * Sec. 7. AS 04.11.150(a) is repealed and reenacted to read:

12 (a) Except as provided under (g) of this section, a package store license
13 authorizes the licensee to sell alcoholic beverages to a person present on the licensed
14 premises or to a person known to the licensee who makes a written solicitation to that
15 licensee for shipment. A licensee, agent, or employee may only ship alcoholic
16 beverages to the purchaser. Before commencing the practice of shipping alcoholic
17 beverages, and with each subsequent application to renew the license, a licensee shall
18 notify the board in writing of the licensee's intention to ship alcoholic beverages in
19 response to a written solicitation. The package store licensee, agent, or employee shall
20 include written information on fetal alcohol syndrome and fetal alcohol effects
21 resulting from a woman consuming alcohol during pregnancy in a shipment of
22 alcoholic beverages sold in response to a written solicitation.

23 * Sec. 8. AS 04.11.150(g) is repealed and reenacted to read:

24 (g) If a shipment is to an area that has restricted the sale of alcoholic
25 beverages under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2), a package store
26 licensee, agent, or employee may not ship to a purchaser more than 12 liters of
27 distilled spirits, 24 liters or more of wine, or 12 gallons or more of malt beverages in
28 a calendar month.

29 * Sec. 9. AS 04.11.160 is amended by adding new subsections to read:

30 (f) A person who applies for issuance or renewal of a license under this
31 section shall file, on forms provided by the board, the following information regarding

1 each product line of alcoholic beverages that the person intends to purchase, offer for
2 sale, or sell: (1) the supplier of the product line; (2) the full and correct brand names
3 in the product line; (3) the name of the distiller, brewer, vintner, or importer of the
4 product line; and (4) a certification by the distiller, brewer, vintner, or importer of the
5 product line that the person is the primary source of supply for the product line. In
6 addition to the fees imposed under (a) and (b) of this section, a person filing under this
7 subsection shall pay a biennial filing fee as follows:

8	1 to 25 suppliers	\$ 500
9	26 to 50 suppliers	\$1,000
10	51 to 75 suppliers	\$1,500
11	over 75 suppliers	\$2,000

12 In this subsection, "distiller, brewer, vintner, or importer" includes an exclusive agent
13 of the distiller, brewer, vintner, or importer if the agent's name appears on the label of
14 the brand approved by the Federal Bureau of Alcohol, Tobacco, and Firearms.

15 (g) A person licensed under this section shall notify the board within 10 days
16 of a change in a primary source of supply designation required under (f) of this
17 section.

18 * Sec. 10. AS 04.16 is amended by adding a new section to read:

19 Sec. 04.16.172. RESTRICTIONS ON PURCHASE AND SALE OF
20 ALCOHOLIC BEVERAGES. A person licensed under AS 04.11.090, 04.11.100,
21 04.11.110, or 04.11.150 may not purchase, sell, or offer for sale an alcoholic beverage
22 unless the alcoholic beverage being purchased, sold, or offered for sale was obtained
23 from a person licensed under

24 (1) AS 04.11.160 as a primary source of supply for the alcoholic
25 beverage being purchased, sold, or offered for sale; or

26 (2) AS 04.11.130, 04.11.140, or 04.11.170.

27 * Sec. 11. AS 04.11.270(b) is amended to read:

28 (b) A license shall be renewed as follows:

29 (1) on or before November 1 [OF EACH YEAR], the director shall
30 mail a renewal application to each licensee whose license, unless renewed, will expire
31 on December 31 of that year; the application shall be mailed to the licensee at the

1 licensed premises or at a mailing address furnished by the licensee;

2 (2) the licensee shall submit the completed renewal application and the
3 biennial license fee to the director before January 1 [ON OR BEFORE
4 DECEMBER 31];

5 (3) a renewal application filed after December 31 is delinquent and
6 must be accompanied by a \$500 [\$200] penalty fee;

7 (4) if December 31 falls on a weekend or a state holiday, the deadline
8 is extended to the first business day following December 31.

9 * Sec. 12. 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 information, that
13 issuance of the license would not be in the best interests of the public;

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

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

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

20 (5) issuance of the license is prohibited under this title as a result of
21 an election conducted under AS 04.11.507 [IN ACCORDANCE WITH
22 AS 04.11.502];

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

26 (7) [THE LICENSED PREMISES ARE TO BE LOCATED IN A
27 MUNICIPALITY, THE TYPE OF LICENSE SOUGHT IS A BEVERAGE
28 DISPENSARY OR PACKAGE STORE LICENSE, AND THAT TYPE OF LICENSE
29 IS ALREADY IN EFFECT IN THE MUNICIPALITY UNDER A COMMUNITY
30 LIQUOR LICENSE, UNLESS THE NEW LICENSE IS TO BECOME EFFECTIVE
31 AFTER THE COMMUNITY LIQUOR LICENSE IS NO LONGER EFFECTIVE,

1 WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
2 OTHERWISE;

3 (8) THE AUTHORITY SOUGHT IS AUTHORITY TO OPERATE A
4 BEVERAGE DISPENSARY OR PACKAGE STORE UNDER A COMMUNITY
5 LIQUOR LICENSE FOR PREMISES TO BE LOCATED IN A MUNICIPALITY
6 WHERE THE AUTHORITY SOUGHT IS ALREADY HELD BY A PRIVATE
7 LICENSEE UNDER A BEVERAGE DISPENSARY OR PACKAGE STORE
8 LICENSE, UNLESS THE COMMUNITY LIQUOR LICENSE IS TO BECOME
9 EFFECTIVE AFTER THE PRIVATELY HELD LICENSE IS NO LONGER
10 EFFECTIVE, WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
11 OTHERWISE;

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

14 (8) [(10)] the application contains false statements of material fact;

15 (9) [(11)] the license is sought for the sale of alcoholic beverages in a
16 first or second class city where [IN WHICH] there are no licensed premises at the
17 time of application unless a majority of the voters have voted not to approve [IN] a
18 local option to restrict or prohibit the sale of alcoholic beverages under
19 AS 04.11.491, have voted to approve a local option to allow the type of premises
20 under AS 04.11.491(a)(2) or (3), or have voted to remove a restriction or
21 prohibition on the sale of alcoholic beverages under AS 04.11.495 [ELECTION
22 CONDUCTED IN ACCORDANCE WITH AS 04.11.502 HAVE VOTED "NO" ON
23 THE QUESTION SET OUT IN AS 04.11.490, OR HAVE VOTED "YES" ON A
24 QUESTION SET OUT IN AS 04.11.492 OR 04.11.500]; or

25 (10) [(12)] the license is sought for the sale of alcoholic beverages in
26 an established village where [IN WHICH] there are no licensed premises at the time
27 of application unless a majority of the voters have voted not to approve [IN] a local
28 option to restrict or prohibit the sale of alcoholic beverages under AS 04.11.491,
29 have voted to approve a local option to allow the type of premises under
30 AS 04.11.491(b)(2), or have voted to remove a restriction or prohibition on the
31 sale of alcoholic beverages under AS 04.11.495 [ELECTION CONDUCTED IN

1 ACCORDANCE WITH AS 04.11.502 HAVE VOTED "NO" ON THE QUESTION
2 SET OUT IN AS 04.11.490 OR HAVE VOTED "YES" ON THE QUESTION SET
3 OUT IN AS 04.11.500].

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

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

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

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

11 (4) the permit is sought for the sale of alcoholic beverages in a first or
12 second class city or established village where [IN WHICH] there are no licensed
13 premises at the time of application unless a majority of the voters have voted not to
14 approve [IN] a local option to restrict or prohibit the sale of alcoholic beverages
15 under AS 04.11.491, have voted to approve a local option to allow the type of
16 permit under AS 04.11.491(a)(2) or (b)(2), or have voted to remove a restriction
17 or prohibition on the sale of alcoholic beverages under AS 04.11.495 [ELECTION
18 CONDUCTED IN ACCORDANCE WITH AS 04.11.502 HAVE VOTED "NO" ON
19 THE QUESTION SET OUT IN AS 04.11.490].

20 * Sec. 13. AS 04.11.330(a) is amended to read:

21 (a) An application requesting renewal of a license shall be denied if

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

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

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

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

31 (5) the requirements of AS 04.11.420 - 04.11.450 relating to zoning,

1 ownership of the license, and financing of the licensee have not been met;

2 (6) renewal of the license would violate the restrictions pertaining to
3 the particular license under this title or the license has been operated in violation of
4 a condition or restriction imposed by the board;

5 (7) renewal of the license is prohibited under this title as a result of an
6 election conducted under AS 04.11.507 [IN ACCORDANCE WITH AS 04.11.502];

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

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

11 * Sec. 14. AS 04.11.340 is amended to read:

12 Sec. 04.11.340. DENIAL OF REQUEST FOR RELOCATION. An application
13 requesting approval for the relocation of licensed premises shall be denied if

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

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

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

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

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

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

27 (7) relocation of the license would violate the restrictions pertaining to
28 the particular license imposed by this title;

29 (8) relocation of the license is prohibited under this title as a result of
30 an election conducted under AS 04.11.507 [IN ACCORDANCE WITH
31 AS 04.11.502]; or

1 (9) [THE LICENSED PREMISES ARE TO BE LOCATED IN A
2 MUNICIPALITY, THE TYPE OF LICENSE SOUGHT TO BE RELOCATED IS A
3 BEVERAGE DISPENSARY OR PACKAGE STORE LICENSE, AND THAT TYPE
4 OF LICENSE IS ALREADY IN EFFECT IN THE MUNICIPALITY UNDER A
5 COMMUNITY LIQUOR LICENSE, UNLESS THE RELOCATION IS TO BECOME
6 EFFECTIVE AFTER THE COMMUNITY LIQUOR LICENSE IS NO LONGER
7 EFFECTIVE, WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
8 OTHERWISE;

9 (10)] the license was issued under AS 04.11.400(d), (e), or (g).

10 * Sec. 15. AS 04.11.360 is amended to read:

11 Sec. 04.11.360. DENIAL OF TRANSFER OF A LICENSE TO ANOTHER
12 PERSON. An application requesting approval of a transfer of a license to another
13 person under this title shall be denied if

14 (1) the board finds, after review of all relevant information, that transfer
15 of a license to another person would not be in the best interests of the public;

16 (2) the application has not been completed in accordance with
17 AS 04.11.280;

18 (3) the application contains false statements of material fact;

19 (4) the transferor has not paid all debts or taxes arising from the
20 conduct of the business licensed under this title unless

21 (A) the transferor gives security for the payment of the debts
22 or taxes satisfactory to the creditor or taxing authority; or

23 (B) the transfer is pursuant to a promise given as collateral by
24 the transferor to the transferee in the course of an earlier transfer of the license
25 under which promise the transferor is obliged to transfer the license back to the
26 transferee in the event of default in payment for property conveyed as part of
27 the earlier transfer of the license;

28 (5) transfer of the license to another person would result in violation
29 of the provisions of this title relating to identity of licensees and financing of licensees;

30 (6) transfer of the license to another person would violate the
31 restrictions pertaining to the particular license under this title;

1 (7) transfer of the license to another person is prohibited under the
2 provisions of this title as a result of an election conducted under AS 04.11.507 [IN
3 ACCORDANCE WITH AS 04.11.502];

4 (8) the prospective transferee does not have the qualifications required
5 under this title of an original applicant;

6 (9) [THE LICENSED PREMISES ARE LOCATED IN A
7 MUNICIPALITY, THE TYPE OF LICENSE SOUGHT TO BE TRANSFERRED IS
8 A BEVERAGE DISPENSARY OR PACKAGE STORE LICENSE, AND THAT TYPE
9 OF LICENSE IS ALREADY IN EFFECT IN THE MUNICIPALITY UNDER A
10 COMMUNITY LIQUOR LICENSE, UNLESS THE TRANSFER IS TO BECOME
11 EFFECTIVE AFTER THE COMMUNITY LIQUOR LICENSE IS NO LONGER
12 EFFECTIVE, WHETHER AS THE RESULT OF A LOCAL OPTION ELECTION OR
13 OTHERWISE;

14 (10) THE AUTHORITY SOUGHT IS AUTHORITY TO OPERATE
15 A BEVERAGE DISPENSARY OR PACKAGE STORE UNDER A COMMUNITY
16 LIQUOR LICENSE FOR PREMISES TO BE LOCATED IN A MUNICIPALITY
17 WHERE THE AUTHORITY SOUGHT IS ALREADY HELD BY A PRIVATE
18 LICENSEE UNDER A BEVERAGE DISPENSARY OR PACKAGE STORE
19 LICENSE, UNLESS THE TRANSFER IS TO BECOME EFFECTIVE AFTER THE
20 PRIVATELY HELD LICENSE IS NO LONGER EFFECTIVE, WHETHER AS THE
21 RESULT OF A LOCAL OPTION ELECTION OR OTHERWISE;

22 (11)] the license was issued under AS 04.11.100(f) or 04.11.400(g); or
23 (10) [AS 04.11.400(g);

24 (12)] the license was issued under AS 04.11.135, unless the transferor
25 is also applying to transfer the beverage dispensary license required under
26 AS 04.11.135 to the same transferee.

27 * Sec. 16. AS 04.11.370 is amended to read:

28 Sec. 04.11.370. SUSPENSION AND REVOCATION OF LICENSES AND
29 PERMITS. A license or permit shall be suspended or revoked if the board finds
30 [THAT ONE OR MORE OF THE FOLLOWING GROUNDS EXISTS:]

31 (1) misrepresentation of a material fact on an application made under

1 this title or a regulation adopted under this title [FOR A LICENSE OR PERMIT];

2 (2) continuation of the manufacture, sale, or service of alcoholic
3 beverages by the licensee or permittee [ACTIVITIES AUTHORIZED UNDER A
4 LICENSE OR PERMIT] would be contrary to the best interests of the public;

5 (3) failure on the part of the licensee to correct a defect [DEFECTS]
6 that constitutes a violation [CONSTITUTE VIOLATIONS] of this title, a condition
7 or restriction imposed by the board, a regulation [REGULATIONS] adopted under
8 this title, or other laws [WITHIN A PRESCRIBED TIME] after receipt of notice
9 issued by the board or its agent;

10 (4) conviction of a licensee of a violation [A PROVISION OF] this
11 title, a regulation adopted under this title, or an ordinance adopted under AS 04.21.010;

12 (5) conviction of an [THE] agent or employee of a licensee of a
13 violation of this title, a regulation adopted under this title, or an ordinance adopted
14 under AS 04.21.010, if the licensee is found by the board to have either knowingly
15 allowed the violation or to have recklessly or with criminal negligence failed to act in
16 accordance with the duty prescribed under AS 04.21.030 with the result that the [AN]
17 agent or employee violates a law, regulation, or ordinance;

18 (6) failure of the licensee to comply with the public health, fire, or
19 safety laws and regulations [PERTAINING TO PUBLIC HEALTH] in the state;

20 (7) use of the licensed premises as a resort for illegal possessors or
21 users of narcotics, prostitutes, or promoters of prostitution; in addition to any other
22 legally competent evidence, the character of the premises may be proved by the
23 general reputation of the premises in the community as a resort for illegal possessors
24 or users of narcotics, prostitutes, or promoters of prostitution;

25 (8) occurrence of illegal gambling within the limits of the licensed
26 premises;

27 (9) the licensee permitted a [PERMITTING ANY] public offense
28 involving moral turpitude to occur on the licensed premises;

29 (10) violation by a licensee of this title, a condition or restriction
30 imposed by the board, a regulation adopted under this title, or an ordinance adopted
31 under AS 04.21.010; or

1 (11) violation by an agent or employee of a licensee of a provision of
2 this title, a condition or restriction imposed by the board, a regulation adopted
3 under this title, or an ordinance adopted under AS 04.21.010, if the licensee is found
4 by the board to have either knowingly allowed the violation or to have recklessly or
5 with criminal negligence failed to act in accordance with the duty prescribed under
6 AS 04.21.030 with the result that the agent or employee violates the law, condition
7 or restriction, regulation, or ordinance.

8 * Sec. 17. AS 04.11 is amended by adding a new section to read:

9 Sec. 04.11.395. BOARD IMPOSED CONDITIONS OR RESTRICTIONS.

10 The board may, in the best interests of the public, impose conditions or restrictions on
11 a license or permit issued under this chapter.

12 * Sec. 18. AS 04.11.400(a) is amended to read:

13 (a) Except as provided in (d) - (h) of this section, a new license may not be
14 issued and the board may prohibit relocation of an existing license

15 (1) outside an established village, incorporated city, unified
16 municipality, or organized borough if after the issuance or relocation there would be
17 (A) more than one restaurant or eating place license for each 1,500 population or
18 fraction of that [1,500] population, or (B) more than one license of each other type,
19 including licenses that have been issued under (d) or (e) of this section, for each 3,000
20 population or fraction of that [3,000] population, in a radius of five miles of the
21 licensed premises [OR LOCATION OF PREMISES SOUGHT TO BE LICENSED],
22 excluding the populations of established villages, incorporated cities, unified
23 municipalities, and organized boroughs that are wholly or partly included within the
24 radius;

25 (2) inside an established village, incorporated city, or unified
26 municipality if after the issuance or relocation there would be inside the established
27 village, incorporated city, or unified municipality

28 (A) more than one restaurant or eating place license for each
29 1,500 population or fraction of that [1,500] population; or

30 (B) more than one license of each other type, including licenses
31 that have been issued under (d) or (e) of this section, for each 3,000 population

1 or fraction of that [3,000] population [INSIDE THE ESTABLISHED
2 VILLAGE, INCORPORATED CITY, OR UNIFIED MUNICIPALITY];

3 (3) inside an organized borough but outside an established village or
4 incorporated city located within the borough, if after the issuance or relocation there
5 would be inside the borough, but outside the established villages and incorporated
6 cities located within the borough,

7 (A) more than one restaurant or eating place license for each
8 1,500 population or fraction of that [1,500] population; or

9 (B) more than one license of each other type, including licenses
10 that have been issued under (d) or (e) of this section, for each 3,000 population
11 or fraction of that [3,000] population [INSIDE THE BOROUGH,] excluding
12 the population of those established villages that have adopted a local option
13 under AS 04.11.491(b)(1), (3), or (4) [CONDUCTED AN ELECTION ON A
14 QUESTION SET OUT IN AS 04.11.490, 04.11.496, OR 04.11.500], and
15 excluding the population of incorporated cities located within the organized
16 borough.

17 * Sec. 19. AS 04.11.480(a) is amended to read:

18 (a) A [IF A] local governing body may [WISHES TO] protest the issuance,
19 renewal, relocation, [TRANSFER OF LOCATION,] or transfer to another person of
20 a license by sending [, IT SHALL FURNISH] the board and the applicant [WITH] a
21 protest and the reasons for the protest within 30 days of receipt from the board of
22 notice of filing of the application. The local governing body may protest the
23 continued operation of a license during the second year of the biennial license
24 period by sending the board and the licensee a protest and the reasons for the
25 protest by January 31 of the second year of the license. The procedures for
26 action on a protest of continued operation of a license are the same as the
27 procedures for action on a protest of a renewal application. The board shall
28 consider a protest and testimony received at a hearing conducted under
29 AS 04.11.510(b)(2) or (4) when it considers the application or continued operation,
30 and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or
31 (4) shall be kept [RETAINED] as part of the board's permanent record of its review

1 [OF THE APPLICATION]. If an application or continued operation is protested, the
2 board shall deny [MAY NOT APPROVE] the application or continued operation
3 unless the board finds that the protest is arbitrary, capricious, and unreasonable.

4 * Sec. 20. AS 04.11 is amended by adding a new section to read:

5 Sec. 04.11.491. LOCAL OPTIONS. (a) If a majority of the persons voting
6 on the question vote to approve the option, a municipality shall adopt a local option
7 to prohibit

8 (1) the sale of alcoholic beverages;

9 (2) the sale of alcoholic beverages except by one or more of the
10 following listed on the ballot:

11 (A) a restaurant or eating place licensee;

12 (B) a beverage dispensary licensee;

13 (C) a package store licensee; or

14 (D) a caterer holding a permit under AS 04.11.230 to sell
15 alcoholic beverages at a site within the municipality who is also licensed under
16 a beverage dispensary license for premises outside of the municipality;

17 (3) the sale of alcoholic beverages except on premises operated by the
18 municipality and under a type of licensed premises listed on the ballot, that may
19 include one or more of the following:

20 (A) a restaurant or eating place licensee;

21 (B) a beverage dispensary licensee; or

22 (C) a package store licensee;

23 (4) the sale and importation of alcoholic beverages; or

24 (5) the sale, importation, and possession of alcoholic beverages.

25 (b) If a majority of the persons voting on the question vote to approve the
26 option, an established village shall exercise a local option to prohibit

27 (1) the sale of alcoholic beverages;

28 (2) the sale of alcoholic beverages except by one or more of the
29 following listed on the ballot:

30 (A) a restaurant or eating place licensee;

31 (B) a beverage dispensary licensee;

1 (C) a package store licensee; or

2 (D) a caterer holding a permit under AS 04.11.230 to sell
3 alcoholic beverages at a site within the established village who is also licensed
4 under a beverage dispensary license for premises outside of the established
5 village;

6 (3) the sale and importation of alcoholic beverages; or

7 (4) the sale, importation, and possession of alcoholic beverages.

8 (c) A ballot question to adopt a local option under this section must at least
9 contain language substantially similar to: "Shall (name of municipality or village)
10 adopt a local option to prohibit (local option under (a) or (b) of this section)? (yes or
11 no)."

12 (d) The ballot for an election on the option set out in (a)(2)(A), (a)(3)(A), or
13 (b)(2)(A) of this section must include a summary explanation of the authority to sell
14 alcoholic beverages given to a restaurant or eating place under AS 04.11.100(a). The
15 ballot for an election on the option set out in (a)(2)(B) or (D), (a)(3)(B), or (b)(2)(B)
16 or (D) of this section must include a statement that a beverage dispensary license is
17 commonly known as a "bar" and a summary explanation of the authority to sell
18 alcoholic beverages given to a beverage dispensary licensee under AS 04.11.090(a).
19 The ballot for an election on the option set out in (a)(2)(C), (a)(3)(C), or (b)(2)(C) of
20 this section must include a statement that a package store license is commonly known
21 as a "liquor store" and a summary explanation of the authority to sell alcoholic
22 beverages given to a package store licensee under AS 04.11.150(a).

23 (e) If a municipality dissolves under AS 29.06.450(a) or (b), a local option
24 adopted by the municipality under (a) of this section shall continue in effect as the
25 corresponding local option under (b) of this section for an established village having
26 the same perimeter as the previous boundaries of the municipality. A license for
27 premises operated by the municipality under AS 04.11.505 expires when the
28 municipality dissolves.

29 (f) A municipality or established village that has adopted a local option under
30 (a)(1), (2), or (3) or (b)(1) or (2) of this section may designate a site for the delivery
31 of alcoholic beverages to individuals in the area or a site for a person to bring

1 alcoholic beverages if the alcoholic beverages are imported into the area. This
2 subsection does not apply to the delivery or importation of

3 (1) one liter or less of distilled spirits, two liters or less of wine, or one
4 gallon or less of malt beverages; or

5 (2) alcoholic beverages to a premises licensed under (a)(2) - (3) or
6 (b)(2) of this section.

7 * Sec. 21. AS 04.11 is amended by adding new sections to read:

8 Sec. 04.11.493. CHANGE OF LOCAL OPTION. (a) If a majority of persons
9 voting on the question vote to approve a different local option, a municipality or
10 established village shall change a local option previously adopted under AS 04.11.491
11 to the different approved option.

12 (b) A ballot question to change a local option under this section must at least
13 contain language substantially similar to: "Shall (name of municipality or village)
14 change the local option currently in effect, that prohibits (current local option under
15 AS 04.11.491), and adopt in its place a local option to prohibit (proposed local option
16 under AS 04.11.491)? (yes or no)."

17 Sec. 04.11.495. REMOVAL OF LOCAL OPTION. (a) If a majority of the
18 persons voting on the question vote to remove the option, a municipality or established
19 village shall remove a local option previously adopted under AS 04.11.491. The
20 option is repealed effective the first day of the month following certification of the
21 results of the election.

22 (b) A ballot question to remove a local option under this section must at least
23 contain language substantially similar to: "Shall (name of municipality or village)
24 remove the local option currently in effect, that prohibits (current local option under
25 AS 04.11.491), so that there is no longer any local option in effect? (yes or no)."

26 (c) When issuing a license in the area that has removed a local option, the
27 board shall give priority to an applicant who was formerly licensed and whose license
28 was not renewed because of the results of the previous local option election. However,
29 an applicant described in this subsection does not have a legal right to a license and
30 the board is not required to approve the application.

31 * Sec. 22. AS 04.11 is amended by adding a new section to read:

1 Sec. 04.11.497. EFFECT ON LICENSES OF PROHIBITION OF SALE. If
2 a majority of voters vote to prohibit the sale of alcoholic beverages under
3 AS 04.11.491(a)(1), (a)(4) or (5), (b)(1), or (b)(3) or (4), the board may not issue,
4 renew, or transfer, between persons or locations, a license for premises located within
5 the boundaries of the municipality and in unincorporated areas within five miles of the
6 boundaries of the municipality or within the perimeter of the established village. A
7 license that may not be renewed because of a local option election held under this
8 section is void 90 days after the results of the election are certified. A license that
9 expires during the 90 days after the results of a local option election are certified may
10 be extended, until it is void under this section, by payment of a prorated portion of the
11 biennial license fee.

12 * Sec. 23. AS 04.11 is amended by adding a new section to read:

13 Sec. 04.11.499. PROHIBITION OF IMPORTATION AFTER ELECTION. If
14 a majority of the voters vote to prohibit the importation of alcoholic beverages under
15 AS 04.11.491(a)(4) or (5) or (b)(3) or (4), a person, beginning on the first day of the
16 month following certification of the results of the election, may not knowingly send,
17 transport, or bring an alcoholic beverage into the municipality or established village,
18 unless the alcoholic beverage is sacramental wine to be used for bona fide religious
19 purposes based on tenets or teachings of a church or religious body, is limited in
20 quantity to the amount necessary for religious purposes, and is dispensed only for
21 religious purposes by a person authorized by the church or religious body to dispense
22 the sacramental wine.

23 * Sec. 24. AS 04.11 is amended by adding a new section to read:

24 Sec. 04.11.501. PROHIBITION OF POSSESSION AFTER ELECTION. (a)
25 If a majority of the voters vote to prohibit the possession of alcoholic beverages under
26 AS 04.11.491(a)(5) or (b)(4), a person may not knowingly possess an alcoholic
27 beverage in the municipality or established village, unless the alcoholic beverage is
28 sacramental wine to be used for bona fide religious purposes based on tenets or
29 teachings of a church or religious body, is limited in quantity to the amount necessary
30 for religious purposes, and is dispensed only for religious purposes, by a person
31 recognized by the church or religious body as authorized to dispense the wine.

1 (b) If there are licensed premises within the municipality or established village,
2 the prohibition on possession is effective beginning 90 days after the results of the
3 election are certified. If there are no licensed premises within the municipality or
4 established village, the prohibition on possession is effective beginning 60 days after
5 the results of the election are certified.

6 (c) Upon the adoption by a municipality of a local option under
7 AS 04.11.491(a)(5), an ordinance is adopted containing the provisions of this section.

8 (d) In this section, "possession" means having physical possession of or
9 exercising dominion or control over an alcoholic beverage, but does not include having
10 an alcoholic beverage within the digestive system of a person.

11 * Sec. 25. AS 04.11 is amended by adding a new section to read:

12 Sec. 04.11.503. EFFECT ON LICENSES OF RESTRICTION ON SALE. If
13 a majority of the voters vote under AS 04.11.491(a)(2) or (b)(2) to prohibit sale of
14 alcoholic beverages except by the type or types of licensees or permit holders listed
15 on the ballot, the board may not issue, renew, or transfer between persons or locations
16 a license for premises located within the boundaries of the municipality and in
17 unincorporated areas within five miles of the boundaries of the municipality or within
18 the perimeter of the established village, except the type or types of licenses listed on
19 the ballot. A license in effect within the boundaries of the municipality or perimeter
20 of the established village, and in unincorporated areas within five miles of the
21 boundaries of the municipality, except the type of license listed on the ballot, is void
22 90 days after the results of the election are certified. A license that expires during the
23 90 days after the results of a local option election are certified may be extended, until
24 it is void under this section, by payment of a prorated portion of the biennial license
25 fee.

26 * Sec. 26. AS 04.11 is amended by adding a new section to read:

27 Sec. 04.11.505. LICENSING AFTER PROHIBITION ON SALE EXCEPT IN
28 PREMISES OPERATED BY MUNICIPALITY. (a) If a majority of the voters vote
29 under AS 04.11.491(a)(3) to prohibit the sale of alcoholic beverages except on
30 premises operated by the municipality, the board may not issue, renew, or transfer
31 between persons or locations a license for premises located within the boundaries of

1 a municipality and in unincorporated areas within five miles of the boundaries of the
2 municipality, with the exception of the type of license listed on the ballot and operated
3 under a license held by the municipality. A license in effect is void 90 days after the
4 results of the election are certified. A license that expires during the 90 days after the
5 results of a local option election are certified may be extended, until it is void under
6 this subsection, by payment of a prorated portion of the biennial license fee.

7 (b) The local governing body of a municipality shall apply for a license to
8 operate the type of licensed premises listed on the ballot under AS 04.11.491(a)(3) and
9 approved by a majority of the voters. The municipality shall operate the premises
10 subject to the conditions and fees applicable to the type of license. Nothing in this
11 section precludes a municipality from applying to be a licensee under other provisions
12 of this title.

13 * Sec. 27. AS 04.11 is amended by adding new sections to read:

14 Sec. 04.11.507. PROCEDURE FOR LOCAL OPTION ELECTIONS. (a)
15 Elections to adopt a local option under AS 04.11.491, change a local option under
16 AS 04.11.493, or remove a local option under AS 04.11.495, shall be conducted as
17 required in this section.

18 (b) Upon receipt of a petition of a number of registered voters equal to 35
19 percent or more of the number of votes cast at the last regular municipal election, the
20 local governing body of a municipality shall place upon a separate ballot at the next
21 regular election, or at a special election, whichever local option, change in local option,
22 or removal of local option constitutes the subject of the petition. The local governing
23 body shall conduct the election under the election ordinance of the municipality.

24 (c) Upon receipt of a petition of 35 percent or more of the registered voters
25 residing within an established village, the lieutenant governor shall place upon a
26 separate ballot at a special election the local option, change in local option, or removal
27 of local option that constitutes the subject of the petition. The lieutenant governor
28 shall conduct the election under AS 15.

29 (d) A petition filed with the local governing body of a municipality under (b)
30 of this section, that places on the ballot the option set out in AS 04.11.491(a)(5),
31 constitutes a proposed ordinance of the municipality.

1 (c) AS 29.26.110 - 29.26.160 apply to a petition under (b) of this section in
2 a general law municipality except the

3 (1) number of required signatures is determined under (b) of this
4 section rather than under AS 29.26.130;

5 (2) application filed under AS 29.26.110 must at least contain language
6 substantially similar to the questions set out under AS 04.11.491 - 04.11.495 rather
7 than containing an ordinance or resolution;

8 (3) petition must at least contain language substantially similar to the
9 questions set out under AS 04.11.491 - 04.11.495 rather than material required under
10 AS 29.26.120(a)(1) and (2).

11 (f) Notwithstanding any other provisions of law, an election under (b) or (c)
12 of this section to remove a local option or to change to a less restrictive option than
13 the local option previously adopted under AS 04.11.491 may not be conducted during
14 the first 12 months after the local option was adopted or more than once in an
15 18-month period.

16 (g) Notwithstanding AS 29.26.140(a), after a petition has been certified as
17 sufficient to meet the requirements of (b) or (c) of this section, another petition may
18 not be filed or certified until after the question presented in the first petition has been
19 voted on. Only one local option question may be presented in an election.

20 Sec. 04.11.509. NOTICE OF THE RESULTS OF A LOCAL OPTION
21 ELECTION. (a) If a majority of the voters vote to prohibit, change, or remove a
22 local option under AS 04.11.491 - 04.11.495, the clerk of the municipality, or, if the
23 election is in an established village, the lieutenant governor shall notify the board of
24 the results of the election immediately after the results are certified. The board shall
25 immediately notify the Department of Law and the Department of Public Safety of the
26 results of the election.

27 (b) If a majority of the voters vote to prohibit the importation or possession
28 of alcoholic beverages under AS 04.11.491(a)(4) or (5) or (b)(3) or (4), the following
29 actions in addition to those prescribed in (a) of this section shall be taken before the
30 date the prohibition becomes effective:

31 (1) the board shall notify, by certified mail, all package store licensees

1 who sell alcoholic beverages in response to a written solicitation of the local option;
2 and

3 (2) the municipality or established village shall post public notice of
4 the prohibition in a central location in the municipality or village.

5 * Sec. 28. AS 04.11.540 is amended to read:

6 Sec. 04.11.540. LICENSE RENEWAL AND EXPIRATION. Notwithstanding
7 AS 04.11.680, an application for renewal of a license issued for the two calendar years
8 [YEAR] ending December 31 or of a seasonal license issued for parts of those
9 calendar years [A SIX-MONTH PERIOD ENDING IN THE PREVIOUS YEAR] may
10 be submitted up until the next February 28 [, BUT THE AUTHORITY GRANTED
11 UNDER THE LICENSE MAY NOT BE EXERCISED UNTIL THE LICENSE IS
12 RENEWED]. If a complete [THE] application for renewal has [AND APPLICABLE
13 AFFIDAVITS HAVE] not been filed by February 28 or the required fees and the
14 penalty fees have not been paid by that date, the license expires at 12:00 midnight
15 February 28. A new license may not be issued to the holder of an expired license for
16 the same premises except on proof satisfactory to the board of good cause for the
17 failure to file and pay.

18 * Sec. 29. AS 04.11.680(a) is amended to read:

19 (a) Upon application and payment of one-half [ONE-QUARTER] of the
20 biennial fee, the board may issue a seasonal license under this title that is [WILL BE]
21 effective for the intervals stated on the license. A seasonal license may not be
22 effective for more than 12 months in a two-year period [A CONTINUOUS SIX-
23 MONTH PERIOD]. Otherwise, all licenses issued under this title other than a retail
24 stock sale license are effective for the two calendar years ending December 31, unless
25 a shorter period is prescribed by the board or by law.

26 * Sec. 30. AS ~~04.16.090~~(a) is amended to read:

27 (a) A person may not maintain a place in which alcohol beverages are received
28 or kept, or to which alcoholic beverages are brought, for consumption by members of
29 the public or by members of a club, corporation, or association [,] unless

30 (1) the

31 (A) person is in an area that has prohibited the sale of an

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alcoholic beverage under AS 04.11.491(a):

(B) club, corporation, or association is a nonprofit organization incorporated under AS 10.20;

(C) consumption by members of the club, corporation, or association is approved by the local governing body under AS 04.21.010;
and

(D) person complies with the applicable provisions of this title or regulations adopted under this title; or

(2) authorized to do so under this title.

* Sec. 31. AS 04.16.110 is repealed and reenacted to read:

Sec. 04.16.110. SALE OF CERTAIN ALCOHOLIC BEVERAGES

PROHIBITED. A person may not sell an alcoholic beverage if it

(1) is intended for human consumption and is in powdered form; or

(2) contains more than 76 percent alcohol by volume.

* Sec. 32. AS 04.16.125(a) is amended to read:

(a) A person may not use a common carrier to transport alcoholic beverages into an area that has restricted the sale of alcoholic beverages under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2) [AS 04.11.490, 04.11.492, OR 04.11.500] unless

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

(2) an itemized invoice showing the quantity and purchase value of distilled spirits, of wine, and of malt [THE ALCOHOLIC] beverages is attached to the outside of the shipping container.

* Sec. 33. AS 04.16.125(b) is amended to read:

(b) This section does not apply to

(1) a person transporting not more than

(A) two liters of wine;

(B) one gallon of [OR] malt beverages; [,] or

(C) [NOT MORE THAN] one liter of distilled spirits; or

1 (2) the transportation of alcoholic beverages for use on premises
2 allowed under AS 04.11.491(a)(2) - (3) or (b)(2) or for use under a permit allowed
3 under AS 04.11.491(a)(2).

4 * Sec. 34. AS 04.16.200(b) is amended to read:

5 (b) A person who violates AS 04.11.010 in an area that has adopted
6 [WHERE THE RESULTS OF] a local option under AS 04.11.491 [ELECTION
7 HAVE, UNDER AS 04.11.490 - 04.11.500, PROHIBITED THE BOARD FROM
8 ISSUING, RENEWING, OR TRANSFERRING ONE OR MORE TYPES OF
9 LICENSES OR PERMITS UNDER THIS TITLE IN THE AREA] is, upon conviction,
10 guilty of a class C felony.

11 * Sec. 35. AS 04.16.200(e) is amended to read:

12 (e) A person who sends, transports, or brings alcoholic beverages into a
13 municipality or established village in violation of AS 04.11.499 [AS 04.11.496] is,
14 upon conviction,

15 (1) guilty of a class A misdemeanor if the quantity imported is less
16 than 12 liters of distilled spirits, 24 liters of wine, or 12 gallons [45 LITERS] of malt
17 beverages; or

18 (2) guilty of a class C felony if the quantity imported is 12 liters or
19 more of distilled spirits, 24 liters or more of wine, or 12 gallons [45 LITERS] or more
20 of malt beverages.

21 * Sec. 36. AS 04.16.205(a) is amended to read:

22 (a) A person who possesses alcoholic beverages in a municipality or
23 established village in violation of AS 04.11.501 [AS 04.11.498] or an ordinance
24 adopted under AS 04.11.501 [AS 04.11.498] may, upon conviction, be punished by a
25 fine not to exceed \$1,000 and shall forfeit the seized alcoholic beverages. When a
26 peace officer stops or contacts a person concerning a violation of AS 04.11.501
27 [AS 04.11.498] or an ordinance adopted [ENACTED] under AS 04.11.501
28 [AS 04.11.498], the peace officer shall seize the alcoholic beverages and may [, IN
29 THE OFFICER'S DISCRETION,] issue a citation to the person as provided in
30 AS 12.25.180.

31 * Sec. 37. AS 04.16.205(b) is amended to read:

1 (b) A person cited for a violation of AS 04.11.501 [AS 04.11.498] or an
2 ordinance adopted under AS 04.11.501 [AS 04.11.498] for which a bail amount has
3 been established under (c) of this section may, within 30 days after the date the
4 citation is issued,

5 (1) mail or personally deliver to the clerk of the court in which the
6 citation is filed by the peace officer the amount of bail indicated on the citation and
7 a copy of the citation indicating that the right to an appearance is waived, a plea of no
8 contest is entered, and the bail and all alcoholic beverages seized are forfeited; or

9 (2) perform community work in lieu of payment of the fine or a portion
10 of the fine as provided in (d) of this section.

11 * Sec. 38. AS 04.16.205(c) is amended to read:

12 (c) The supreme court shall establish by rule or order a schedule of bail
13 amounts that may be forfeited without a court appearance for a violation of
14 AS 04.11.501 [AS 04.11.498] or an ordinance adopted under AS 04.11.501
15 [AS 04.11.498]. In establishing the bail schedule the supreme court may consider the
16 quantity of alcoholic beverages possessed and the number of prior violations of the
17 person cited. Before establishing or amending the schedule of bail amounts required
18 by this subsection, the supreme court shall appoint and consult with an advisory
19 committee consisting of the following seven persons: one superior court judge, one
20 magistrate from each judicial district in the state, a representative of the Department
21 of Law, and a representative of the Public Defender Agency. The maximum bail
22 amount may not exceed \$1,000, and the issuing officer shall write on the citation the
23 amount of bail applicable to the violation.

24 * Sec. 39. AS 04.16.205(d) is amended to read:

25 (d) Community work shall be performed at the direction of the local governing
26 body of the municipality or the local governing body of the established village. In the
27 absence of a local governing body for an established village, community work
28 shall be performed at the direction of the body that has traditionally performed
29 public functions on behalf of the entire community. The value of community work
30 in lieu of a fine is \$5.00 per hour. When the community work is completed, the
31 person cited for the violation shall mail or personally deliver to the clerk of the court

1 in which the citation is filed by the peace officer

2 (1) a form, prescribed by the administrative director of the Alaska
3 Court System, indicating completion of the community work; and

4 (2) a copy of the citation, indicating that the right to an appearance is
5 waived, a plea of no contest is entered, and that the bail is forfeited or community
6 work has been performed and that all alcoholic beverages seized are forfeited.

7 * Sec. 40. AS 04.16.205(g) is amended to read:

8 (g) Notwithstanding other provisions of law, if a person cited for a violation
9 of AS 04.11.501 [AS 04.11.498] or an ordinance adopted under AS 04.11.501
10 [AS 04.11.498] for which a bail amount has been established under (c) of this section
11 appears in court and is found guilty, the penalty that is imposed for the offense may
12 not exceed the bail amount for that offense established under (c) of this section.

13 * Sec. 41. AS 04.16.205(h) is amended to read:

14 (h) A violation of AS 04.11.501 [AS 04.11.498] or an ordinance adopted under
15 AS 04.11.501 [AS 04.11.498] may not be considered a criminal offense and may not
16 result in imprisonment, nor is a fine imposed for a violation considered criminal
17 punishment. A person cited for a violation does not have a right to a jury trial or
18 court appointed counsel.

19 * Sec. 42. AS 04.16.220(a) is amended to read:

20 (a) The following are subject to forfeiture:

21 (1) alcoholic beverages manufactured, sold, offered for sale or
22 possessed for sale, bartered or exchanged for goods and services in this state in
23 violation of AS 04.11.010; alcoholic beverages possessed, stocked, warehoused, or
24 otherwise stored in violation of AS 04.21.060; alcoholic beverages sold, or offered for
25 sale in violation [IN AN AREA WHERE THE RESULTS] of a local option adopted
26 under AS 04.11.491 [ELECTION HAVE, UNDER AS 04.11.490 - 04.11.500,
27 PROHIBITED THE POSSESSION OF ALCOHOLIC BEVERAGES OR
28 PROHIBITED THE BOARD FROM ISSUING, RENEWING, OR TRANSFERRING
29 ONE OR MORE LICENSES OR PERMITS UNDER THIS TITLE IN THE AREA];
30 alcoholic beverages transported into the state and sold to persons not licensed under
31 this chapter in violation of AS 04.16.170(b);

1 (2) materials and equipment used in the manufacture, sale, offering for
2 sale, possession for sale, barter or exchange of alcoholic beverages for goods and
3 services in this state in violation of AS 04.11.010; materials and equipment used in the
4 stocking, warehousing, or storage of alcoholic beverages in violation of AS 04.21.060;
5 materials and equipment used in the sale or offering for sale of an alcoholic beverage
6 in an area in violation [WHERE THE RESULTS] of a local option adopted under
7 AS 04.11.491 [ELECTION HAVE, UNDER AS 04.11.490 - 04.11.500, PROHIBITED
8 THE BOARD FROM ISSUING, RENEWING, OR TRANSFERRING ONE OR
9 MORE LICENSES OR PERMITS UNDER THIS TITLE IN THE AREA];

10 (3) aircraft, vehicles, or vessels used to transport, or facilitate the
11 transportation of

12 (A) alcoholic beverages manufactured, sold, offered for sale or
13 possessed for sale, bartered or exchanged for goods and services in this state
14 in violation of AS 04.11.010;

15 (B) property stocked, warehoused, or otherwise stored in
16 violation of AS 04.21.060;

17 (C) alcoholic beverages imported into a municipality or
18 established village in violation of AS 04.11.499 [AS 04.11.496];

19 (4) alcoholic beverages found on licensed premises that do not bear
20 federal excise stamps if excise stamps are required under federal law;

21 (5) alcoholic beverages, materials or equipment used in violation of
22 AS 04.16.175.

23 * Sec. 43. AS 04.16.220(b) is amended to read:

24 (b) Property subject to forfeiture under this section may be actually or
25 constructively seized under an order issued by the superior court upon a showing of
26 probable cause that the property is subject to forfeiture under this section. Constructive
27 seizure is effected upon posting a signed notice of seizure on the item to be forfeited,
28 stating the violation and the date and place of seizure. Seizure without a court order
29 may be made if

30 (1) the seizure is incident to a valid arrest or search;

31 (2) the property subject to seizure is the subject of a prior judgment in

1 favor of the state; or

2 (3) there is probable cause to believe that the property is subject to
3 forfeiture under (a) of this section; except for alcoholic beverages possessed on
4 violation of AS 04.11.501 [AS 04.11.498] or an ordinance adopted under AS 04.11.501
5 [AS 04.11.498], property seized under this paragraph may not be held over 48 hours
6 or until an order of forfeiture is issued by the court, whichever is earlier.

7 * Sec. 44. AS 04.16.220(d) is amended to read:

8 (d) Property subject to forfeiture under (a) of this section may be forfeited

9 (1) upon conviction of a person for a violation of [UNDER]
10 AS 04.11.010, 04.11.499, [04.11.496(b), OR] AS 04.21.060, or AS 04.11.501 [UPON
11 ENTRY OF JUDGMENT UNDER AS 04.11.498] or an ordinance adopted under
12 AS 04.11.501 [AS 04.11.498]; or

13 (2) upon judgment by the superior court in a proceeding in rem that the
14 property was used in a manner subjecting it to forfeiture under (a) of this section.

15 * Sec. 45. AS 04.16.220(g) is amended to read:

16 (g) it is no defense in an in rem forfeiture proceeding brought under (d)(2) of
17 this section that a criminal proceeding is pending or has resulted in conviction or
18 acquittal of a person charged with violating AS 04.11.010, 04.11.499 [04.11.496(b)],
19 or AS 04.21.060.

20 ** Sec. 46. AS 04.16.220(h) is amended to read:

21 (h) Alcoholic beverages forfeited under (d) of this section shall be placed in
22 the custody of a peace officer of the state and destroyed no later than 30 days after
23 forfeiture. All other property forfeited under this section shall be placed in the custody
24 of the commissioner of public safety for disposition according to an order entered by
25 the court. The court shall order destroyed any property forfeited under this section that
26 is harmful to the public and shall order any property forfeited under this section
27 that was seized in a municipality to be transferred to the municipality in which
28 the property was seized. Other property shall be ordered sold and the proceeds used
29 for payment of expenses of the proceedings for forfeiture and sale, including expenses
30 of seizure, custody, and court costs. The remainder of the proceeds shall be deposited
31 in the general fund.

1 * Sec. 47. AS 04.21.010(a) is amended to read:

2 (a) A municipality may adopt ordinances governing the importation, barter,
3 sale, and consumption of alcoholic beverages within the municipality and may ban
4 possession of alcoholic beverages under AS 04.11.491(a)(5) [AS 04.11.498(d) OR (e)].
5 An ordinance adopted under this section may not be inconsistent with this title or
6 regulations adopted under this title. In a municipality that has adopted a local
7 option under AS 04.11.491(a)(1), (2), or (3), an ordinance is not inconsistent with
8 this title if it limits

9 (1) the monthly amounts of alcoholic beverages a person may
10 import into the municipality;

11 (2) the percent of alcohol by volume that an alcoholic beverage may
12 contain; a limit imposed under this paragraph may not be less than 40 nor more
13 than 76 percent alcohol by volume; or

14 (3) the type of alcoholic beverage container that may be possessed
15 in the municipality.

16 * Sec. 48. AS 04.21.010(b) is amended to read:

17 (b) After the adoption of a local option under AS 04.11.491(a), a [IF, AS A
18 RESULT OF AN ELECTION HELD IN ACCORDANCE WITH AS 04.11.502 IN A
19 MUNICIPALITY, THE BOARD IS PROHIBITED FROM ISSUING, RENEWING,
20 OR TRANSFERRING A LICENSE BETWEEN HOLDERS OR LOCATIONS OR IF
21 THE IMPORTATION OF ALCOHOLIC BEVERAGES IS PROHIBITED IN THE
22 MUNICIPALITY, THE] municipality may adopt an ordinance making the sale, [OR]
23 importation, or possession of alcoholic beverages a misdemeanor to the extent
24 prohibited under the local option. The ordinance may not be inconsistent with this
25 title or the regulations adopted under this title.

26 * Sec. 49. AS 04.21.010(c) is amended to read:

27 (c) A municipality may not impose taxes on alcoholic beverages except a

28 (1) property tax on alcoholic beverage inventories;

29 (2) sales tax on alcoholic beverage sales if sales taxes are imposed on
30 other sales within the municipality;

31 (3) sales tax on alcoholic beverage sales that was in effect before

1 July 1, 1985; and

2 (sales and use tax on alcoholic beverages if the sale of alcoholic
3 beverages within the municipality has been prohibited under AS 04.11.491(a)(1), (4),
4 or (5) [AS 04.11.490].

5 * Sec. 50. AS 04.21.015(b) is amended to read:

6 (b) This section does not apply to AS 04.16.050, 04.16.051, 04.16.080;
7 AS 04.21.010, 04.21.020; alcoholic beverages manufactured in a quantity that exceeds
8 the limit imposed on private manufacture under federal law; or an area that has
9 adopted a local option law under AS 04.11.491 [AS 04.11.490 - 04.11.500].

10 * Sec. 51. AS 04.21.025(a) is amended to read:

11 (a) As a condition of issuance or renewal of a license and selling alcoholic
12 beverages under a license, the board shall require a licensee who sells or serves
13 alcoholic beverages and a licensee's agents and employees who sell or serve alcoholic
14 beverages or check the identification of a patron to complete an alcohol server
15 education course approved by the board, if the license is for a

- 16 (1) beverage dispensary;
17 (2) restaurant or eating place;
18 (3) club;
19 (4) package store;
20 (5) [COMMON CARRIER DISPENSARY;
21 (6)] recreational site;
22 (6) [(7) COMMUNITY;
23 (8)] pub;
24 (7) [(9)] conditional contractor.

25 * Sec. 52. AS 04.21.025 is amended by adding a new subsection to read:

26 (c) A person licensed as a common carrier dispensary shall train agents and
27 employees who sell or serve alcoholic beverages or who check the identification of a
28 patron on provisions of state law regarding sale of alcoholic beverages, including
29 AS 04.16.015, 04.16.020, 04.16.030, 04.16.051, 04.16.052, 04.16.120, 04.16.125,
30 AS 04.21.030, and 04.21.050. The training must include the subjects of the effects of
31 alcohol consumption, identifying a drunken person, determining valid identification,

1 intervention to prevent unlawful alcohol consumption, and penalties for unlawful acts
2 by agents and employees of licensees. A common carrier licensee shall, once every
3 three years, provide the board with a description of its training program including the
4 subjects taught, teaching method, and testing required.

5 * Sec. 53. AS 04.21.065(a) is amended to read:

6 (a) A holder of one of the following types of licenses or permits shall post on
7 the licensed or designated premises two separate warning signs as described in (b) of
8 this section:

- 9 (1) beverage dispensary license;
- 10 (2) restaurant or eating place license;
- 11 (3) club license;
- 12 (4) brewery license; this paragraph applies only to a brewery that
13 permits a person to sample portions of the brewery's product;
- 14 (5) package store license;
- 15 (6) common carrier dispensary license;
- 16 (7) recreational site license;
- 17 (8) [COMMUNITY LIQUOR LICENSE;
- 18 (9)] pub license;
- 19 (9) [(10)] winery license; this paragraph applies only to a winery that
20 permits a person to sample portions of the winery's product;
- 21 (10) [(11)] caterer's permit;
- 22 (11) [(12)] special events permit;
- 23 (12) [(13)] conditional contractor's permit;
- 24 (13) [(14)] another license or permit issued by the board authorizing
25 consumption of alcoholic beverages.

26 * Sec. 54. AS 04.21.080(b)(1) is amended to read:

27 (1) "alcoholic beverage" means a spirituous, vinous, malt, or other
28 fermented or distilled liquid, whatever the origin, that is intended for human
29 consumption as a beverage and that contains one-half of one percent or more of
30 alcohol by volume, whether produced commercially or privately; however, in an area
31 that has adopted a local option under AS 04.11.491 [LOCAL-OPTION

1 PROHIBITION UNDER AS 04.11.490 - 04.11.500], "alcoholic beverage" means a
2 spirituous, vinous, malt, or other fermented or distilled liquid, whatever the origin, that
3 is intended for human consumption as a beverage by the person who possesses or
4 attempts to possess it and that contains alcohol in any amount if the liquid is
5 produced privately, or that contains one-half of one percent or more of alcohol by
6 volume, if the liquid is produced commercially;

7 * Sec. 55. AS 04.21.080(b)(9) is amended to read:

8 (9) "established village" means an area that does not contain any
9 part of an incorporated city or another established village and that is

10 (A) an unincorporated community that is in the unorganized
11 borough and that has 25 or more permanent residents; or

12 (B) an unincorporated community that is in an organized
13 borough, has 25 or more permanent residents, and

14 (i) is on a road system and is located more than 50
15 miles outside the boundary limits of a unified municipality, or

16 (ii) is not on a road system and is located more than 15
17 miles outside the boundary limits of a unified municipality;

18 * Sec. 56. AS 15.07.064(g) is amended to read:

19 (g) In this section, "established village" means an unincorporated
20 community that is in

21 (A) the unorganized borough and that has 25 or more
22 permanent residents; or

23 (B) an organized borough, has 25 or more permanent
24 residents, and

25 (i) is on a road system and is located more than 50
26 miles outside the boundary limits of a unified municipality, or

27 (ii) is not on a road system and is located more than
28 15 miles outside the boundary limits of a unified municipality

29 [HAS THE MEANING GIVEN IN AS 04.21.080].

30 * Sec. 57. AS 18.65.085(a) is amended to read:

31 (a) There is established in the Department of Public Safety, division of state

1 troopers, a narcotic drugs and alcohol enforcement unit for the purpose of investigating
2 and combating the illicit sale and distribution of narcotic drugs and alcoholic beverages
3 in the state. Enforcement of the alcoholic beverage control laws shall focus primarily
4 on the investigation, apprehension, and conviction of persons who violate
5 AS 04.11.010 by selling, importing, or possessing alcoholic beverages in violation of
6 a local option [AN ORDINANCE] adopted by a municipality or established village
7 under AS 04.11.491 [AS 04.11.490 - 04.11.500].

8 * Sec. 58. AS 18.65.085(c) is amended to read:

9 (c) The Department of Public Safety may establish and administer a reward
10 program, and provide grants to municipalities, established villages, and, at the request
11 of a municipality or established village, to a nonprofit association that administers a
12 village public safety officer program, for reward programs leading to the apprehension
13 and conviction of persons who violate AS 04.11.010 by selling, importing, or
14 possessing alcoholic beverages in violation of a local option [AN ORDINANCE]
15 adopted by a municipality or established village under AS 04.11.491 [AS 04.11.490
16 - 04.11.500].

17 * Sec. 59. AS 29.20.270(e) is amended to read:

18 (e) The veto does not extend to an ordinance adopted under AS 04.11.501
19 [AS 04.11.498]. This subsection applies to home rule and general law municipalities.

20 * Sec. 60. AS 29.25.020(d) is amended to read:

21 (d) This section does not apply to an ordinance proposed under
22 AS 04.11.507(d) [AS 04.11.502(e)].

23 * Sec. 61. AS 29.25.070(d) is amended to read:

24 (d) This section does not apply to an ordinance adopted under AS 04.11.501(e)
25 [AS 04.11.498(d) OR (e)].

26 * Sec. 62. AS 29.35.080(a) is amended to read:

27 (a) A municipality may regulate the possession, barter, sale, importation, and
28 consumption of alcoholic beverages under AS 04.11.480 - 04.11.509 [IN
29 ACCORDANCE WITH AS 04.11.480 - 04.11.506] and AS 04.21.010.

30 * Sec. 63. AS 34.03.360(6) is amended to read:

31 (6) "illegal activity involving alcoholic beverages" means a person's

1 delivery of an alcoholic beverage in violation of AS 04.11.010(b) in an area where the
2 results of a local option election have, under AS 04.11.491 [AS 04.11.490 -
3 04.11.500], prohibited the Alcoholic Beverage Control Board from issuing, renewing,
4 or transferring a liquor license or permit under AS 04;

5 * Sec. 64. AS 47.37.045(e) is amended to read:

6 (c) In this section,

7 (1) "established village" means an unincorporated community that

8 is in

9 (A) the unorganized borough and that has 25 or more
10 permanent residents; or

11 (B) an organized borough, has 25 or more permanent
12 residents, and

13 (i) is on a road system and is located more than 50
14 miles outside the boundary limits of a unified municipality, or

15 (ii) is not on a road system and is located more than
16 15 miles outside the boundary limits of a unified municipality
17 [HAS THE MEANING GIVEN IN AS 04.21.080(b)];

18 (2) "local governing body" has the meaning given in AS 04.21.080(b);

19 (3) "nonprofit organization" means an organization that qualifies for
20 exemption from taxation under 26 U.S.C. 501(c)(3) or (4) (Internal Revenue Code).

21 * Sec. 65. AS 04.11.090(c), 04.11.190, 04.11.490, 04.11.492, 04.11.496, 04.11.498,
22 04.11.500, 04.11.502, 04.11.504, 04.11.506, and 04.11.510(d) are repealed.

23 * Sec. 66. TRANSITION: LOCAL OPTIONS EARLIER ADOPTED. Notwithstanding
24 the provisions of this Act, local options adopted by an area under AS 04.11.490, 04.11.492,
25 04.11.496, 04.11.498, or 04.11.500 or previous local option laws before the effective date of
26 this Act shall continue in effect until changed under AS 04.11.493 or removed under
27 AS 04.11.495. References in this Act to local option elections conducted under AS 04.11.491,
28 04.11.493, 04.11.495, 04.11.497, 04.11.499, 04.11.501, 04.11.503, 04.11.505, and 04.11.507
29 are to be interpreted to include local option elections conducted under AS 04.11.490,
30 04.11.492, 04.11.496, 04.11.498, 04.11.500, or 04.11.502 or previous local option laws in
31 effect before the effective date of this Act.

1 * Sec. 67. TRANSITION: EXISTING LOCAL OPTION PETITIONS. A petition to adopt
2 or remove a local option on file with a municipality or the lieutenant governor on the effective
3 date of this section that has not been voted on is void and may not be placed on an election
4 ballot.

5 * Sec. 68. TRANSITION: COMMUNITY LIQUOR LICENSES. A community liquor
6 license issued under AS 04.11.190 before the effective date of this Act to operate a beverage
7 dispensary shall continue as a beverage dispensary license under AS 04.11.090. A community
8 liquor license issued under AS 04.11.190 before the effective date of this Act to operate a
9 package store shall continue as a package store license under AS 04.11.150.

10 * Sec. 69. TRANSITION. A person licensed under AS 04.11.160 on the effective date of
11 this section shall submit the information required under AS 04.11.160(f), added by sec. 9 of
12 this Act, by September 30, 1995.

13 * Sec. 70. TRANSITION: IMPLEMENTATION OF BIENNIAL SEASONAL LICENSES.

14 (a) Approximately one-half of the applicants for 1996 renewal of a seasonal license issued
15 by the Alcoholic Beverage Control Board, as determined by the director of the Alcoholic
16 Beverage Control Board, shall be eligible for a one-year seasonal license. These licenses
17 expire, unless renewed, on December 31, 1996, and may be renewed biennially in even-
18 numbered years after that. The 1996 renewal fee for these licenses is one-half of the seasonal
19 biennial license fee.

20 (b) Applicants whose licenses are not renewed under (a) of this section shall be
21 eligible for a two-year seasonal license. These licenses expire, unless renewed, on
22 December 31, 1997, and may be renewed biennially in odd-numbered years.

23 (c) The director shall notify each licensee in writing as to whether the licensee shall
24 apply for renewal under (a) or (b) of this section, and of the actual amount of the renewal fee.
25 The notice must be given not later than December 1, 1995. However, the failure of the
26 director to provide the notice required in this subsection does not prevent a license from
27 expiring on February 28, 1996, under AS 04.11.540, if the renewal application is not filed on
28 or before that date.

29 * Sec. 71. TRANSITION: REGULATIONS. Notwithstanding sec. 75 of this Act, the
30 Alcoholic Beverage Control Board may proceed to adopt regulations necessary to implement
31 this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not

1 before July 1, 1995.

2 * Sec. 72. PROHIBITION ON PURCHASE OR CERTAIN ALCOHOLIC BEVERAGES.

3 Beginning July 1, 1995, and ending June 30, 1996, a person licensed as a wholesaler under
4 AS 04.11.160 may not purchase an alcoholic beverage that contains more than 76 percent
5 alcohol by volume.

6 * Sec. 73. Section 71 of this Act takes effect immediately under AS 01.10.070(c).

7 * Sec. 74. AS 04.16.110(2), enacted in sec. 31 of this Act, takes effect July 1, 1996.

8 * Sec. 75. Except as provided in secs. 71 and 74 of this Act, this Act takes effect July 1,
9 1995.

4/25/95 Copy for 4/21/95

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSSB 87 (FIN)

Revision Date: 4/24/95 Dept. Affected: Revenue
 Title: Alcoholic Beverages: Local BRU: Alcoholic Beverage Control Board
 Option and Misc. _____ Component: _____
 Sponsor: Senate Judiciary
 Requester: House C & RA COMPONENT SERIAL NO. 0100

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts (approx.)	5.0	5.0	5.0	5.0	5.0	5.0
1006 GF/MI ITIA						
Other						
TOTAL	5.0	5.0	5.0	5.0	5.0	5.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Possible increase in revenue from 1) increase to penalty for filing late applications for renewal of license in Section 13, Page 7 and 2) fee collected from wholesale licensees for registration of brands in Section 11, Page 5.

Prepared by: Patrick L. Sharrock, Director
 Division: Alcoholic Beverage Control Board
 Approved by: _____
 Commissioner: Deborah Vort
 Agency: Revenue

Phone: 277-8638
 Date: 4/24/95
 Date: 4/24/95

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A M E N D M E N T

OFFERED IN THE SENATE
TO: CSSB 87(JUD)

BY SENATOR DONLEY

1 Page 13. after line 7:

2 Insert a new bill section to read:

3 **** Sec. 17.** AS 04.11.370 is amended by adding a new subsection to read:

4 (b) If the board finds that a licensee or permittee has been convicted of a
5 violation of a criminal law related to gambling under AS 11.66.200 - 11.66.280 ~~or the~~
6 ~~board receives notice from the Department of Revenue that a licensee or permittee has~~
7 ~~violated a provision of AS 05.15 related to gambling,~~ the board shall suspend the
8 license or permit for a period of at least 12 months if the offense is the person's first
9 conviction or violation and shall revoke the license or permit if the offense is the
10 person's second conviction or violation."

11 Renumber the following bill sections accordingly.

12 Page 32. after line 17:

13 Insert a new bill section to read:

14 **** Sec. 57.** AS 05.15 is amended by adding a new section to article 1 to read:

15 Sec. 05.15.097. NOTICE TO THE ALCOHOLIC BEVERAGE CONTROL
16 BOARD. If, after notice and hearing, the department determines that a person has
17 violated a provision of this chapter related to gambling and the person is a licensee
18 or permittee under AS 04, the department shall provide notice of the violation to the
19 Alcoholic Beverage Control Board."

20 Renumber the following bill sections accordingly.

21 Page 35. line 29:

SENATE FINANCE
COMMITTEE

Amendment Number: 1

Bill Number: SB 87

Sponsor: Donley Date: 4/10/95

Logged In By: [Signature]

1 Delete "sec. 75"

2 Insert "sec. 77"

3 Page 36. line 6:

4 Delete "Section 71"

5 Insert "Section 73"

6 Page 36, line 7:

7 Delete "sec. 31"

8 Insert "sec. 32"

9 Page 36. line 8:

10 Delete "secs. 71 and 74"

11 Insert "secs. 73 and 76"

A M E N D M E N T

OFFERED IN THE SENATE
TO: CSSB 87(JUD)

BY SENATOR DONLEY

1 Page 1, line 2, after "beverages":

2 Insert "prohibiting persons from being on premises involving alcoholic beverages
3 under certain circumstances:"

4 Page 22, after line 25:

5 Insert a new bill section to read:

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

7 Sec. 04.16.025. ILLEGAL PRESENCE ON PREMISES INVOLVING
8 ALCOHOLIC BEVERAGES. (1) A person may not knowingly enter or remain on
9 premises

10 1) in which alcoholic beverages are manufactured, sold, offered for
11 sale, possessed for sale or barter, trafficked in, or bartered in violation of

12 (A) AS 04.11.010; or

13 (B) a municipal ordinance adopted under AS 04.21.010(a) or
14 (b); or

15 (2) licensed under this title during hours in which the person's presence
16 on the premises is a violation of a municipal ordinance adopted under authority of
17 AS 04.16.010(d) providing for hours of closure that are outside the hours of closure
18 prescribed by AS 04.16.010(c).

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

20 Renumber the following bill sections accordingly.

21 Page 24, after line 3:

22 Insert a new bill section to read:

SENATE FINANCE
COMMITTEE

Amendment Number: 2

Bill Number: 5387

Sponsor: Donley Date: 4/10/95

Logged In By: JH

1 ** Sec. 35. AS 04.16.180(a) is amended to read:

2 (a) Except as provided in AS 04.11.015, AS 04.16.025, 04.16.051
3 [AS 04.16.051], 04.16.200 - 04.16.210, and AS 04.21.065, a person who violates a
4 provision of this title or a regulation adopted by the board is guilty, upon conviction,
5 of a class A misdemeanor. Each violation is a separate offense."

6 Renumber the following bill sections accordingly.

7 Page 35, line 29:

8 Delete "sec. 75"

9 Insert "sec. 77"

10 Page 36, line 6:

11 Delete "Section 71"

12 Insert "Section 73"

13 Page 36, line 7:

14 Delete "sec. 31"

15 Insert "sec. 32"

16 Page 36, line 8:

17 Delete "secs. 71 and 74"

18 Insert "secs. 73 and 76"

SENATE FINANCE
COMMITTEE

Amendment Number: 3

Bill Number: SB 87

Sponsor: Donley Date: 4/10/95

Logged In By: [Signature]

AMENDMENT

9-LS0673\K.10

Ford

4/10/95

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: CSSB 87(JUD)

1 Page 1, line 1, following "An Act":

2 Insert "relating to the membership of the Alcoholic Beverage Control Board;"

3 Page 1, following line 5:

4 Insert new bill sections to read:

5 * Section 1. AS 04.06.020 is amended to read:

6 Sec. 04.06.020. APPOINTMENT AND QUALIFICATIONS. The board
7 consists of five members appointed by the governor and confirmed by a majority of
8 the members of the legislature in joint session. A member of the board may not hold
9 any other state or federal office, either elective or appointive. Two members of the
10 board shall be persons actively engaged in the alcoholic beverage industry, except that
11 no member may hold a wholesale license or be an officer, agent, or employee of a
12 wholesale alcoholic beverage enterprise. No three members of the board may be
13 engaged in the same business, occupation, or profession. At least three members of
14 the board shall represent the general public. A board member representing the
15 general public or an immediate family member of a board member representing
16 the general public may not be engaged in any aspect of the alcoholic beverage
17 industry. A person who is employed in a program providing alcohol or
18 substance abuse counseling or related services is not considered to be engaged in
19 the alcoholic beverage industry. In this section, "immediate family member"
20 means a spouse, child, or parent.

21 * Sec. 2. AS 04.06.060 is amended to read:

22 Sec. 04.06.060. QUORUM AND MAJORITY. Three members of the board
23 constitute a quorum for the conduct of business, except that at least two members
24 of a quorum must be members who represent the general public and a majority

1 of the whole membership of the board must approve all applications for new licenses,
2 and all renewals, transfers, suspensions, and revocations of existing licenses. If a
3 majority of the board is present and voting, the director, with the consent of the
4 members present, may cast a tie-breaking vote."
5

6 Page 1, line 6:

7 Delete "Section 1."

8 Insert "Sec. 3."

9 Renumber the following bill sections accordingly.

10 Page 35, line 11:

11 Delete "sec. 9"

12 Insert "sec. 11"

13 Page 35, line 29:

14 Delete "sec. 75"

15 Insert "sec. 78"

16 Page 36, after line 5:

17 Insert a new bill section to read:

18 **"* Sec. 75. TRANSITION: BOARD MEMBERS.** The provisions of secs. 1 and 2 of this
19 Act do not apply to a person who is serving as a member of the Alcoholic Beverage Control
20 Board on the effective date of this Act."

21 Renumber the following bill sections accordingly.

22 Page 36, line 6:

23 Delete "Section 71"

24 Insert "Section 73"

25 Page 36, line 7:

- 1 Delete "sec. 31"
- 2 Insert "sec. 33"

- 3 Page 36, line 8:
- 4 Delete "secs. 71 and 74"
- 5 Insert "secs. 73 and 77"

Fails ~~*Adopted*~~ 4-11-95

SENATE FINANCE
COMMITTEE

9-LS0673VK.11

Ford

4/11/95

Amendment Number: 4

Bill Number: SB 87

Sponsor: Donley Date: 4/11/95

Logged In By: JPP

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR DONLEY

TO: CSSB 87(JUD)

1 Page 14, line 22, following "application.":

2 Insert "A local advisory council, including a community council, established by

3 a local governing body for an area that includes, or an area with a boundary that is

4 within one-half mile of, the location of the proposed licensed premises may protest the

5 proposed action by sending a notice of the protest to the local governing body and to the

6 board. After a local advisory council has protested the proposed action, the board shall

7 deny the application or continued operation unless the local governing body approves

8 the proposed action by the affirmative vote of ^{2/3} ~~a~~ members of the local governing body."

SENATE FINANCE
COMMITTEE
Amendment Number: 5
Bill Number: SB 87
Sponsor: Sharp Date: 4/11/95
Logged In By: JFR

A M E N D M E N T

CSSB-87(JUD)

Offered by: Senator Bert Sharp

Page 14, line 21

After the word within DELETE [30] ADD 60

Page 14, line 22

After the word application. ADD A protest received after the 60 day period may not be accepted by the Board and in no event may a protest cause the Board to reconsider an approved renewal, relocation or transfer.

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF REVENUE

550 W. F. H AVE.
ANCHORAGE, ALASKA 99501-6098

ALCOHOLIC BEVERAGE CONTROL BOARD

April 11, 1995

The Honorable Dave Donley
Alaska State Senate
State Capitol Room 11
Juneau, Alaska 99801

Dear Senator Donley:

During the Senate Finance Committee hearing on SB 87 last week, you asked for information about enforcement of illegal gambling on licensed premises. I am enclosing a copy of a memo from the board's assistant attorney general, Teresa Williams. I hope the memo contains the information you requested.

If I can provide any clarification, please do not hesitate to call.

Sincerely,



Patrick L. Sharrock
Director

cc: Senator Rick Halford, Chairman
Senate Finance Committee
Senator Robin Taylor, Chairman
Senate Judiciary Committee

95-037

MEMORANDUM

State of Alaska
Department of Law

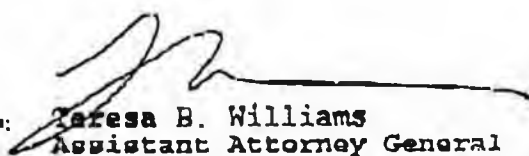
TO: Pat Sharrock, Director
Alcoholic Beverage Control Board

DATE: April 7, 1995

FILE NO:
9

TGL NO: 269-5203

SUBJECT: ABC BOARD REFERRALS
TO AGO 7/1/90 TO PRESENT

FROM: 
Teresa B. Williams
Assistant Attorney General
Commercial Section -- Anchorage

At your request, I've put together a list of the cases your office has referred to mine from July 1, 1990 to the present. This list does not include those cases in which the licensee did not file a notice of defense after the board denied renewal of the license. Gambling cases are set out separately.

Gambling Cases (ABC Bd sanctions in addition to criminal and gaming sanctions):

American Legion Post #11 - (30 day suspension, \$5,000 fine - fine suspended for two years)
American Legion Post #35 - (90 day suspension)
Peninsula Moose Lodge -- (30 day suspension - reduced from longer stipulated suspension after contact from Rep. Phillips)
VFW Post # 3629 - (30 day suspension and \$5,000 fine - fine suspended for two years)
VFW Post 1685 - (90 day suspension)

Other Cases:

Asia House - operating as tavern (forced transfer)
Big Al's Lodge - drunken bartender (forced transfer)
Big D Bar - drunken persons (suspension)
Chang d/b/a Ichiban - sale of liquor in restaurant (suspension)
Copper Center Bar - drunken persons (pending)
Crazy Horse - B girl (suspension)
Cyrano's - insufficient menu (suspension / change of menu)
Dan's Liquor - minor (nonrenewal)
B & L Liquor - minor (suspension)
Eddie's Frontier Club - drunken persons / prostitution (revocation)
Egegik Liquor Store - drunken persons (conditions on renewal)
Fudo's Chinese Restaurant - minor (suspension, conditions on license)
G & L Riverside Inn - impact on community (non-renewal)

Pat Sharrock, Director
Alcoholic Beverage Control Board

April 7, 1995
Page 2

Gateway Liquors - owner drunk off of premises (vio of condition) (forced transfer)
Good Time Charlies - sexual misconduct (\$0 day suspension)
Grab a Dab - minors (suspension / nonrenewal)
Great Alaskan Bush Co. - B girl (suspension)
Irma's Outpost - minor (suspension)
Knik Bar - owner drunk off of premises (vio of condition) (forced transfer)
Lonely Lady - drunken persons / minors / gambling / prostitution (nonrenewal)
Luchiano's - hidden financial interest (forced transfer)
Marine Bar - minor employee (suspension and conditions)
Maverick Bar - drunken persons (pending)
McKinley Snowmobile Adventures - impact on community (hearing officer overturned denial of licensure)
Party Time #2 - minor / mail order calcs (forced transfer)
Party Time Plaza - drunken person (suspension)
Party Time #1 - owner unfit (forced transfer)
Pioneer Bar, Ketchikan - hours (suspension)
Ranch Dinner House - unauthorized transfer (forced transfer)
Sand Point Tavern - minors / drunken persons (suspension)
Silver Fox Rdhouse - false renewal appl (nonrenewal)
Sportsman's Too - B girl (suspension)
Sportsman's Inn - minor (suspension)
Takatna Liquor - minors / hours (suspension and conditions)
Underground - unauthorized transfer (forced transfer)

TEW:mb

515 87

Senator Rick Halford
Nineteenth Alaska State Legislature
Room 508
Juneau, Alaska 99801-1182
Via Fax 465-4928

April 6, 1995

RE: SB 87

Dear Senator Halford

My name is Tom Nicolas. I'd like to commend the Senate for its efforts to further clarify Title 4, however I have many points of concern with SB 87. Although the attempt to provide clarity and equity, SB 87 has become awfully slanted toward the prohibitionist point of view which is unfair. It should be amended to be fair both ways. Personally, I do not think prohibition is the answer to the problems caused by alcohol, and further refining and giving more control to the government to set specific limits on local option law driven by prohibitionists is frightening -- thus I want to speak up.

I have grave concern that enacting this bill will perpetuate the present problem of citizens potentially becoming felons because they have "too much beer" on their shelf. Felony crimes in my estimation are heinous crimes against the State, i.e., murder, kidnapping, sexual assault. It should not be because a citizen has one too many bottles of wine in his possession. I urge you to go home tonight and take stock of your liquor cabinet. If you had a local option election tomorrow and possession was made illegal, would you be "over the limit," thereby a potential felon? Any well-stocked liquor cabinet exceeds the limit (even in a city where liquor stores are available for restocking purposes). However items such as single-malt scotches and schnapps are rarely used in bootlegging operations, nevertheless according to SB 87, by merely owning them, they can add up to the presumption of sale. This is unfair and untrue.

Specific changes to the bill I would like to see:

Page 2, Sec. 2: "...creates a presumption that the person possessed the alcoholic beverages for sale." Rewrite this section to aim it toward the populace that can be presumed to be selling alcoholic beverages. Suggested verbage may be "of the same brand of alcohol." A bootlegger is going to be selling the inexpensive variety to keep profit margins up; a bootlegger is rarely going to be selling cognac, liqueur, etc.

RE SB 87

Secondly, the type of alcoholic beverage container that may be possessed in the municipality." What exactly does this mean?

Page 29, Sec. 48, 13-21: After the adoption of a local option under AS 04.11.491(a), a municipality may adopt an ordinance making the sale, importation or possession of alcoholic beverages a misdemeanor to the extent prohibited under the local option.

I believe possession and importation should be an infraction. Importation and possession are victimless crimes and shouldn't carry the possibility of a felony, **especially when** residents in one portion of the State could be felons whereas their neighbors in the next village wouldn't. Again, the problem with alcohol is alcohol abuse, not alcohol use....so legislate against abuse, not use as is presently written.

Additionally, if possession were made a misdemeanor, this will allow law enforcement to obtain a search warrant to enter a private residence. I, like many other citizens, should not have to fear answering the door to find the Dept. of Public Safety there to invade my privacy based on a tip. As a matter of fact, I resent it.

Page 34-35, Sec. 67, Line 29-1: TRANSITION: EXISTING LOCAL OPTION PETITIONS. A petition to adopt or remove a local option on file with a municipality or the lieutenant governor on the effective date of this section that has not been voted on is void and may not be placed on an election ballot. This is ridiculous and a direct circumvention of the people's right to petition their government to bring an item to the polls. I can see no reason in voiding existing petitions so they may not be placed on an election ballot merely because the law is being modified. What ever happened to EXPO-FACTO laws? The people of Barrow currently have petitions on file with the municipality; I find it absurd, a duplication of effort, and a direct thwart of the will of the people to void their petitions on file with the municipality. Simply grandfather in the petition options.

Sincerely,

Tom D. Nicolos
Barrow, Alaska

RE SB 87

certain percentage **or more** of signatures on a petition. Exactly at whose discretion is **or more**? Would a City Council be able to require a set percentage amount, say 85%, at their discretion? The 35% of signatures needed for petitioning the government to place a local option question on the ballot as opposed to the 25% needed for any other election item indicates the strength of a community's desire on this important issue. Since this is such an important issue, the law has adequately built in an additional 10% of signatures needed. The term, "**or more**" adds vagueness to something you're attempting to clarify. I suggest changing the verbage to "**equal to 35%** of the number of votes cast at the last regular municipal election".

A recent court decision stated that local option elections are neither referendum nor initiative. So, specific clarification and concrete time frames are needed to stipulate when a local option election can be held after the certification of a petition.

Page 21, Sec. 27, Line 8-12: "an election under (b) or (c) of this section to remove a local option or to change to a less restrictive option than the local option previously adopted under AS 04.11.491 may not be conducted during the first 12 months after the local option was adopted or more than once in an 18-month period." If I'm reading this correctly, it appears that there's numerous restrictions on when an election can be held to remove an option or to change to a less restrictive option, but imposing more restrictions is unlimited. Where's the equity in this law? There seems to be none. It should be a two-way street -- whether imposing or removing a local option question should have the same set of time frame criterion.

Page 21, Sec. 27, Line 13-16: "Only one local option question may be presented in an election." I fail to see any logic in this. Strike this restrictive clause -- I don't believe there should be legislation on just how many items a voter be allowed to vote on. Restricting the number of items a voter **be allowed** to vote on is a direct restriction of democracy.

Page 28 Sec. 46, Line 17-28: "Any property forfeited under section that was seized in a municipality to be transferred to the municipality in which the property was seized." Acts of property seizures that can be left to the discretion of a local police force should not be permitted especially if the municipality will gain financially from the seizure. Employment and salaries could become dependent upon the amount of property seized. It also tends to punish a person twice for the same offense.

Page 28-29, Sec. 47, Line 29-12: the monthly amounts of alcoholic beverages a person may import into the municipality. This is to say that the municipality has the right to dictate just how many bottles of distilled spirits they think is proper for a citizen to bring into their home? The problem in a community is caused by alcohol abuse, not alcohol use. And there is a difference. Regulating the quantity of importation is too restrictive and allows a municipality to attempt to legislate morality which is not it's job.

RE SB 87

Page 17, Sec. 21, Line 4-13: CHANGE OF LOCAL OPTION..."Shall (name of municipality or village) change the local option currently in effect, that prohibits (current local option under AS 04.11.491), and adopt in its place a local option to prohibit (proposed local option under AS 04.11.491)? This is a commendable change to the law which appears to be well thought-out and will allow a village or municipality to exactly state their desire at the polls, without having to go through multiple elections to do so.

Page 20, Sec. 27, Line 11-25: PROCEDURE FOR LOCAL OPTION ELECTION: "Upon receipt of a petition of a number of registered voters equal to 35 percent or more of the number of votes cast at the last regular municipal election, the local governing body of a municipality shall place upon a separate ballot at the next regular election, or at a special election, whichever local option, change in local option or removal of local option constitutes the subject of the petition."

Exactly when a local option election can be held needs to be stipulated in this section. Title 29 and Title 15 specifically address time frames of elections in regards to windows after a petition is certified to clarify whether an item will be voted on in a special election or a general election for referendum, initiative, and recall.

Title 29 states that after certification of a petition for referendum, "if no election occurs within 75 days of certification of a petition, the governing body shall hold a special election within 75 days, but not sooner than 45 days after certification." (AS 29.26.180)

For an initiative election, "if no regular election occurs within 75 days after the certification of a petition, the governing body shall hold a special election within 75 days, but not sooner than 45 days after certification" (AS 29.26.170)

Recall election states "If a regular election occurs within 75 days but not sooner than 45 days after submission of the petition to the governing body, the governing body shall submit the recall at that election. If no regular election occurs within 75 days, the governing body shall hold a special election on the recall question within 75 days but not sooner than 45 days after a petition is submitted to the governing body." (AS 29.26.320)

However, verbage in SB 87 states "shall place upon a separate ballot at the next regular election, or at a special election." No windows are indicated as are in all other petition-process elections. This needs to be rectified.

Delete ~~or more~~ from the clause (c) Upon receipt of a petition of 35 percent or more of the registered voters. Signature requirements for initiative and referendum state "equal to 25% of the votes cast if a municipality has fewer than 7,500 persons; or equal to 15% of the votes cast if a municipality has 7,500 persons or more. (AS 29.26.130) Signature requirements for recall states "...the petition shall be signed by a number of voters equal to 25% of the number of votes cast for that office..." (AS 29.26.280) No mention is made in any other election of obtaining a

POSITION PAPER
ALCOHOLIC BEVERAGE CONTROL BOARD
SB 87
March 1, 1995

This bill is substantially identical to SB 372 that passed the senate and all house committees last year but did not get to a floor vote in the house on the last day of the legislative session.

The bill clarifies and simplifies provisions that allow unincorporated villages and incorporated municipalities to hold local option elections to restrict or prohibit alcoholic beverages within those communities. The board's assistant attorney general has noted that

"When the local option scheme was adopted, no provision was made for moving from one type of option to another. The problems primarily arise when a proposal is made to move to a less restrictive option. Under the limited ballot language permitted, the community must first vote to remove all restrictions, and then conduct another vote to reinstate the desired option. The local option law is also ambiguous as to when a community may first conduct an election to remove an option it has adopted. (Subsequent elections must be at least 12 months later."

The attached recent newspaper editorial provides an example of the dilemma.

Along with a few insignificant new items, the bill contains several long overdue common sense technical amendments. An abbreviated sectional analysis describing these amendments is also attached.

Except for potential average annual revenue of approximately \$5,000 from registration of "brands" by wholesale licensees provided in Section 8, the bill does not create any fiscal impact on board operations.

The Alcoholic Beverage Control Board is in complete support of this bill. Additionally, this legislation has been supported by Tanana Chiefs, North Slope Borough, Division of Elections, Department of Community and Regional Affairs, Department of Law, and Senator Al Adams.

ALCOHOLIC BEVERAGE CONTROL BOARD
Sectional Analysis
SB 87

The legislation basically consists of two parts:

1. local option clarification and simplification
2. technical amendments/improvements

1. LOCAL OPTION

<u>Section</u>	<u>Page</u>	
19	14	a. menu of local options
20	16	b. "change" a local option
20	16	c. "remove" a local option
21-25		d. description of options
		e. cater's permit

2. TECHNICAL AMENDMENTS

<u>Section</u>	<u>Page</u>	
1	1	Tech - package store may not solicit in or receive orders from an agent in a local option area
3	2	New - semi-tavern license - 1 in 10 of restaurant or eating place licenses - non transferable
4	3	Tech - increases brew-pub gallonage from 16,000 to 75,000 gallons per year
6	3	Tech - package store licensee can only ship to the purchaser
8	4	New - register brands by wholesale licensees
9	4	New - club, package store, restaurant, and beverage dispensary licensees must purchase alcoholic beverages for resale from a wholesale licensee

10	5	New -	if a license is not renewed by December 31 the business may stay open but late filing penalty increases from \$200 to \$500
16	12	New/Tech -	board may impose restrictions on a license
18	13	Tech -	local governing body may protest annually even though applications for license renewals are filed biennially
26	20	Tech -	local options to change to a less restrictive option may not be conducted for 12 months
26	20	line 30 Tech -	notice of elections to package stores by certified, not "registered" mail
27	21	Tech -	makes half-year licenses biennial to agree with current law
29	21	New -	prohibits Everclear
44	27	New -	a municipality may limit importation amount by ordinance under certain options
48	28	Tech -	simplified server training for common carrier licensees
50	29	Tech -	expands definition of alcohol to include any alcohol intended for consumption
51	29	Tech -	clarifies definition of established village
61	32	New -	repeals requirement for beverage dispensary bond
65	32	New -	transition for half-year licenses regarding section 27

Barrow vote

Give ban a chance

The news from Barrow about the positive effects of prohibition approved in a close fall election are heartening. Public safety has improved in the town and in outlying villages, hospital emergency room personnel aren't swamped with alcohol-related cases, and detoxification beds are in less demand.

Most tellingly, Inupiaq elder Morgan Solomon says "Our children are much happier."

Local option laws, like the one Barrow employed, allow communities to vote on banning the sale, importation and possession of alcohol — and to repeal those laws through the petition and ballot process. "Damp" status allows importation and possession of alcohol, whereas "dry" bans the sale, importation and possession of alcohol by anyone in the city. (The seven outlying villages already banned importation, but villagers were smuggling in booze from Barrow, creating local problems.)

But the heated wrangling in Barrow between supporters and critics of alcohol prohibition demonstrates that there is work ahead for Alaska's legislators as well as the community.

After the dry side won by seven votes, an anti-prohibition group hastily gathered enough signatures to hold another vote on Feb 21. Just days ago, the city council wisely upheld a mayoral veto of the election date, thus delaying it until fall.

State law ought to be clear enough so that community debate about local alcohol option centers on the pros and cons rather than what state law may or may not say. When even Alcoholic Beverage Control Board director Pat Sbarrock is unsure about when a repeal election can be held, then it is the job of the legislature to make the laws clear.

The city council and Mayor Long have the right idea in giving the new policy a chance to work.

Prohibition is an extreme measure, and not one to be taken lightly. But given its troubled past, Barrow is on the right track in going dry to battle the devastating effects of alcohol. That's what local option laws are all about. But state law ought not to have gray areas so big as to allow bowhead whales to swim through unimpeded.

The Almanac

The Slope and alcohol

The month and year Barrow went dry: November 1994.

Number of calls North Slope Borough Department of Public Safety officials compiled in November 1994 in the seven Slope villages, excluding Barrow: 175.

Number of village calls in November 1994: 103.

Number of November 1993 village calls that were substance-abuse related: 38.

Number of November 1994 village calls that were substance-abuse related: 19.

Number of intoxicated persons removed by public safety officials from premises in Barrow in November 1993: 83.

Number of Barrow drunks removed from premises in November 1994: 18.

Number of Barrow drunks brought to detoxification by safety officials in November 1993: 29.

Number of Barrow drunks brought to detox in November 1994: 3.

Number of calls logged by public safety officials related to Barrow minors consuming alcohol from Sept. 1 through Nov. 1, 1994: 23.

Number of such calls from November 1994 through Dec. 21, 1994: 3.

□ Sources: Daily News and North Slope Borough reports.

Alaska State Legislature

Chairman,
Judiciary Committee

Deputy Chairman,
Transportation Committee

Member,
Resources Committee
Western Legislative Forestry Task Force



Senator Robin L. Taylor

State Capitol
Juneau, Alaska 99801-4182
Phone: 907-465-3873
Fax: 907-465-5922

352 Front Street
Ketchikan, Alaska 99901
Phone: 907-225-8088
Fax: 907-225-0713

MEMORANDUM

TO: Senator Rick Halford, Co-Chairman
Senate Finance Committee

FROM: Senator Robin L. Taylor *R.L.T.*

DATE: 3/30/95

REF: Hearing Request - Senate Bill 87

Please consider this to be my formal request for a hearing on Senate Bill 87 at your earliest convenience.

This bill revises and clarifies the local option provisions of the liquor code and makes technical changes to other sections of that code.

Senate Bill 87 carries zero fiscal notes.

Thank you for your consideration of this request.

Alaska State Legislature

Chairman,
Judiciary Committee

Vice Chairman,
Transportation Committee

Member,
Resources Committee
Western Legislative Forestry Task Force



Senator Robin L. Taylor

State Capitol
Juneau, Alaska 99801-1182
907-465-3873
Fax: 907-465-3022

352 Front Street
Ketchikan, Alaska 99901
907-223-8088
Fax: 907-223-0713

Sponsor Statement

Senate Bill 87

Before the Senate Finance Committee
April 5, 1995

Last year the Alcoholic Beverage Control Board, prompted by concerns over a lack of clarity in how local option elections are to be conducted, asked for legislation to simplify the process. The board also asked that the same vehicle be used to address long needed technical and common sense amendments to Title 4.

The result was Senate Bill 372, which passed the Senate and moved through the committee process in the House, only to die in the Rules Committee in the hectic final days of the 18th State Legislature.

Senate Bill 87 is substantially the same as last year's legislation.

The bill addresses the shortcoming in the current statute dealing with local option elections, for which no provision is made for moving from one type of option to another. Under current law, a community must first vote to remove all restrictions on the sale and importation of alcoholic beverages and then conduct another vote on a new option. This burdensome process can cause confusion for municipalities and unincorporated villages alike.

SB 87 was amended in the Community and Regional Affairs and Judiciary Committees to address specific concerns raised by local option communities. Those amendments have the support of the ABC Board and the chairman of the sponsoring committee.

District A

Hyder • Ketchikan • Kupreanof • Mevers Chuck • Petersburg • Saxman • Sika • Wrangell

ALCOHOLIC BEVERAGE CONTROL BOARD
Sectional Analysis
CSSB 87(JUD)

The legislation basically consists of two parts:

1. local option clarification and simplification
2. technical amendments/improvements

1. LOCAL OPTION

<u>Section</u>	<u>Page</u>	
20	14-15	a. menu of local options
21	17	b. "change" a local option
21	17	c. "remove" a local option
22-26	17-19	d. description of options

2. TECHNICAL AMENDMENTS

<u>Section</u>	<u>Page</u>	
1	1	Tech - package store may not solicit in a local option area or receive orders from an agent in a local option area
4	3	New - semi-tavern license - 1 in 10 of restaurant or eating place licenses - non transferable
5	4	Tech - increases brew-pub gallonage from 16,000 to 75,000 gallons per year
7	4	Tech - package store licenses can only ship to the purchaser
9	4-5	New - primary source and registration of brands by wholesale licensees
10	5	New - club, package store, restaurant, and beverage dispensary licensees must purchase alcoholic beverages for resale from a wholesale licensee

<u>Section</u>	<u>Page</u>			
11	5 - 6		Now -	if a license is not renewed by December 31 the business may stay open but late filing penalty increases from \$200 to \$500
17	13		New/Tech -	board may impose restrictions on a license
19	14		Tech -	local governing body may protest annually even though applications for license renewals are filed biennially
20	16	line 20	New	if municipality dissolves, option continues
27	21	line 8	Tech -	local options to change to a less restrictive option may not be conducted for 12 months or more than once in an 18 month period
27	21	line 28	Tech -	notice of elections to package stores by certified, not "registered" mail (01.10.065)
28	21 - 22		Tech -	makes half-year licenses biennial to agree with current law
30	22		New	allows members of an incorporated non-profit club to bring alcoholic beverages to a premises in a "damp" community if approved by a local governing body
31	22 - 23		New -	prohibits 180 proof
46	28		New	property seized may be transferred to the municipality
47	28- 29		New -	a municipality may limit importation amount by ordinance under certain options
52	30		Tech -	simplified server training for common carrier licensees

<u>Section</u>	<u>Page</u>		
54	31	Tech -	expands definition of alcohol to include any alcohol intended for consumption
65	34	New -	repeals requirement for beverage dispensary bond
66-74	32	New -	effective dates and transition provisions to include half-year licenses regarding section 280

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Alcoholic Beverage Control Board
 550 W 7th Ave Suite 350
 Anchorage AK 99501
 Patrick L. Sharrock, Director
 (907) 277-8638 Fax (907) 272-9412

SCHEDULE OF LOCAL OPTION COMMUNITIES
 Updated December 30, 1994

City	Community license only	Bar possession	Vote Tally	Election date	Certification date	Effective date
Akiak			38-15	07-17-91	08-21-91	09-01-91
Alaknuk			94-24	07-20-81	07-27-81	08-01-81
Alaknuk		1	47-7	02-06-90	02-12-90	03-01-90
Allakaket			49-30	05-12-89	05-19-89	06-01-89
Allakaket		1	45-34	05-12-89	05-19-89	08-17-89
Ambler				12-15-81	12-15-81	01-01-82
Anaktuvuk Pass			78-11		1982	01-01-83
Anaktuvuk Pass		1	59-45	11-04-86	12-16-86	01-01-87
Angoon		1	92-40	07-26-88	08-01-88	11-01-88
Aitka			22-16	03-07-89	03-08-89	04-01-89
Almautluak			80-12	10-06-81	04-29-82	05-01-82
Atkasuk		1	43-31	10-05-83	10-11-83	01-01-84
Barrow			614-588	10-04-94	10-06-94	11-01-94
Barrow		1	604-596	10-04-94	10-06-94	11-01-94
Bethel			611-207	10-04-77	10-06-77	11-01-77
Birch Creek*		1	13-2	10-06-87	10-22-87	11-01-87
Brevig Mission			26-14	03-08-83	03-08-83	04-01-83
Buckland			52-6	05-10-82	05-11-82	06-01-82
Chalkyitsik*			21-2	07-20-82	07-28-82	08-01-82
Chetomak			48-29	10-14-82	10-15-82	11-01-82
Chevak			88-63	10-02-90	10-02-90	11-01-90
Deering			32-24	05-26-82	06-01-82	07-01-82
Diomedea			27-11	09-10-81	09-29-81	10-01-81
Eek			90-15	11-27-82	11-27-82	12-01-82
Elim			49-17	08-24-81	08-27-81	09-01-81
Emmonak			54-12	10-12-81	10-12-81	11-01-81
✓Fort Yukon	1					
Gambell			79-10	08-22-81	08-25-81	09-01-81
Gambell		1	72-13	12-23-86	12-29-86	01-01-87
Golovin			31-22	01-16-84	01-17-84	02-01-84
Goodnews Bay			36-25	11-08-83	11-08-83	12-01-83
Goodnews Bay		1	37-11	01-14-91	01-18-91	02-01-91
Grayling			36-23	12-28-93	01-04-94	02-01-94

*Unincorporated

SCHEDULE OF LOCAL OPTION COMMUNITIES

Updated December 30, 1994

City	Community license only	State possession	Vote Tally	Election date	Certification date	Effective date
Hooper Bay			103-44	03-01-83	03-01-83	04-01-83
Hughes			17-4	03-02-93	03-29-93	04-01-93
Huzila			37-13	03-14-89	03-23-89	04-01-89
Iliamna*			35-24	10-05-82	10-25-82	01-23-83
✓ Kake	1					
Kaktovik		1	56-39	08-01-89	08-07-89	11-05-89
✓ Kasigluk			74-3	10-04-83	10-17-83	11-01-83
Kiana			81-38	12-08-87	12-17-87	01-01-88
Kipnuk*			82-7	10-05-82	10-25-82	11-01-82
Kivalina			79-33	01-08-85	01-09-85	02-01-85
Klawock	1		111-70	10-05-93	10-11-93	10-11-93
Kobuk			15-12	03-29-89	04-03-89	05-01-89
Kokhanok*			38-19	09-18-84	09-27-84	10-01-84
Kongiganak*			50-9	07-13-82	07-28-82	08-01-82
Kotlik				09-08-81	09-30-81	10-01-81
Kotlik		1	51-22	03-24-87	03-25-87	04-01-87
Kotzebue			643-433	12-06-88	12-07-88	01-01-89
Koyuk			57-8	08-25-81	08-26-81	09-01-81
Kwethluk			82-30	01-01-82	02-24-82	03-01-82
Kwigillingok*			63-5	08-09-83	09-01-83	10-01-83
Lower Katskag			46-31	11-05-91	11-07-91	12-01-91
Manokotak			79-9	01-29-88	02-01-88	03-01-88
Manokotak		1	80-8	01-29-88	02-01-88	03-01-88
Marshall (Fortuna)			12-16	07-25-81	07-26-81	08-01-81
Marshall		1	37-34	10-07-86	10-08-86	11-01-86
Mekoryuk			48-10	09-01-81	09-02-81	10-01-81
Mekoryuk		1	42-29	10-07-86	10-08-86	11-01-86
Minto*			59-34	07-12-83	07-21-83	08-01-83
Mountain Village			72-52	03-13-84	03-19-84	04-01-84
Napaklak			54-14	03-31-82	03-31-82	04-01-82
Napaklak		1	82-14	05-05-87	05-19-87	06-01-87
Napasklak			55-4	11-01-82	11-08-82	12-01-82
✓ Newtok			37-9	10-30-84	11-02-84	12-01-84
Noatak*			69-53	12-07-82	12-22-82	01-01-83
Nondalton			46-30	11-10-86	12-30-86	01-28-87
Noorvik			103-58	04-28-87	04-28-87	05-01-87
Nulqsut			57-39	11-21-83	11-22-83	12-01-83
Nulqsut		1	60-56	11-04-86	11-12-86	12-01-86
Nunapitchuk			106-35	09-15-81	10-02-81	11-01-81

*Unincorporated

SCHEDULE OF LOCAL OPTION COMMUNITIES

Updated December 30, 1994

City	Community license only	Sum possession	Vote Tally	Election date	Certification date	Effective date
Nunapitchuk		1	75-23	10-07-86	10-13-86	11-01-86
Pilot Station			67-58	03-08-85	03-20-85	04-01-85
Platinum			12-9	01-14-82	01-25-82	02-01-82
Point Hope			62-39	06-29-82	07-02-82	08-01-82
Point Hope		1		10-03-89	10-09-89	11-01-89
Point Lay*			30-15	07-01-86	07-11-86	08-01-86
Port Alexander			31-16	01-05-82	01-11-82	02-01-82
Port Protection*			23-9	03-27-88	04-05-88	05-01-88
Quinhagak			77-26	10-30-81	10-31-81	11-01-81
Quinhagak		1	71-27	10-06-87	10-12-87	11-01-87
Red Devil*			17-8	02-20-90	04-27-90	07-26-90
Russian Mission			46-22	10-06-87	10-27-87	11-01-87
Saint Mary's			80-86	08-23-94	09-02-94	10-01-94
Saint Mary's			63-48	09-22-81	09-28-81	10-01-81
Saint Michael			39-21	08-04-86	08-07-86	09-01-86
Savoonga			103-18	10-14-81	10-14-81	11-01-81
Scammon Bay			57-10	12-07-81	12-08-81	01-01-82
Scammon Bay		1	71-25	10-06-87	10-12-87	11-01-87
Selawik			89-69	12-17-86	12-22-86	01-01-87
Shageluk			31-27	06-28-93	07-06-93	09-01-93
Shaktootik			34-28	03-13-84	03-15-84	04-01-84
Sheldon Point			26-7	08-26-86	08-27-86	09-01-86
Shishmaref			82-47	01-04-83	01-04-83	02-01-83
Shungnak			46-44	10-05-87	10-10-87	11-01-87
Stebbins			88-19	08-25-87	10-08-87	11-01-87
Stevens Village*			31-11	08-05-84	08-15-84	07-01-84
Tanacross*		1	32-5	05-17-88	05-31-88	06-01-88
Tanana	1		90-15	01-12-82	01-12-82	03-01-82
Tatitlek*			28-15	08-23-83	09-13-83	10-01-83
Teller			47-31	05-16-83	05-16-83	06-01-83
Totfin*			54-7	12-07-82	12-22-82	01-01-83
Togiak			96-23	05-03-82	05-04-82	06-01-82
Togiak		1	80-38	10-07-86	10-31-86	11-01-86
Toksook Bay			78-32	11-23-81	11-23-81	12-01-81
Tuluksak			31-16	10-05-82	10-05-82	11-01-82
Tuluksak		1	55-12	04-12-94	04-25-94	05-01-94
Tuntutufiak			47-20	07-20-82	08-02-82	09-01-82
Tuntutufiak		1	41-22	10-08-87	10-28-87	11-01-87
Tununak			90-11	08-12-81	08-13-81	09-01-82

*Unincorporated

SCHEDULE OF LOCAL OPTION COMMUNITIES

Updated December 30, 1994

City	Community license only	Ban possession	Voter Tally	Election date	Certification date	Effective date
Unalakleet			121-40	04-14-92	04-16-92	05-01-92
Upper Kalskag			38-30	01-20-93	02-22-93	03-01-93
Wainwright			21-42	07-08-82	07-14-82	08-01-82
Wales			29-21	08-14-81	08-17-81	09-01-81
TOTALS	4	24				

CHANGES THIS UPDATE:

The City of Saint Marys change is ban importation of alcoholic beverage - added to list.
 The City of Alka has changed from unincorporated to incorporated.

This schedule is continuously updated as dictated by ongoing elections. If you have any questions, please do not hesitate to call the ABC Board office at 277-8630.

SENATE COMMITTEE REPORT

DATE: 3/20/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 3-28-95

dup

Judiciary Committee considered SENATE BILL NO. 87

~~FIN~~

Community local options for control of alcoholic beverages; relating to the control of alcoholic beverages; relating to the definition of 'alcoholic beverage'; relating to purchase and sale of alcoholic beverages; relating to alcohol server education courses; efd/

and recommends:

- be replaced with ~~AB~~ CS SB 87 (JUD)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:
 - same title
 - new title
- House Bill:
 - same title
 - technical change
 - new: SCR# _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>J. Gillis</i>	X		
		<i>W. Adams</i>	X		
		<i>Pete Miller</i>	4		
		<i>Lynne Mee</i>	✓		
CHAIR: <i>Adrian L. Taylor</i>					

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Revenue	3/3/95	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

*Incorrect version
replaced by
K version*

9-LS0673\G

CS FOR SENATE BILL NO. 87(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 3/28/95

Referred: Finance

Sponsor(s): SENATE JUDICIARY COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to community local options for control of alcoholic beverages;
2 relating to the control of alcoholic beverages; relating to the definition of
3 'alcoholic beverage'; relating to purchase and sale of alcoholic beverages; relating
4 to alcohol server education courses; and providing for an effective date."

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

6 * Section 1. AS 04.11.010(b) is amended to read:

7 (b) Except as provided in this subsection, a [A] person may not solicit or
8 receive orders for the delivery of an alcoholic beverage in an area that has adopted
9 a local option under AS 04.11.491. If the area has adopted a local option under
10 AS 04.11.491(a)(1), (2), or (3), or (b)(1) or (2), a package store licensee outside of
11 that local option area may receive orders as provided under AS 04.11.150 but may
12 not solicit in that area or receive orders through an agent or employee in that
13 area. This subsection does not apply to a package store licensee who operates a
14 package store in an area that has adopted a local option under

1 AS 04.11.491(a)(2)(C) or (3)(C) or (b)(2)(C) [WHERE THE RESULTS OF A
2 LOCAL OPTION ELECTION HAVE, UNDER AS 04.11.490 - 04.11.500,
3 PROHIBITED THE BOARD FROM ISSUING, RENEWING, OR TRANSFERRING
4 ONE OR MORE TYPES OF LICENSES OR PERMITS UNDER THIS TITLE,
5 UNLESS THE PERSON IS LICENSED UNDER THIS TITLE AND THE ORDER
6 IS ACTUALLY RECEIVED BY THAT PERSON FROM THE PURCHASER OF
7 THE ALCOHOLIC BEVERAGE]. A person who violates this subsection is
8 punishable upon conviction as provided under AS 04.16.200(a) or (b).

9 * **Sec. 2.** AS 04.11.010(c) is amended to read:

10 (c) In a criminal prosecution for possession of alcoholic beverages for sale in
11 violation of (a) of this section, the fact that a person possessed more than 12 liters of
12 distilled spirits, 24 liters or more of wine, or 12 gallons [45 LITERS] or more of malt
13 beverages in an area where the sale of alcoholic beverages is restricted or prohibited
14 under AS 04.11.491 [AS 04.11.490, 04.11.492, 04.11.496, OR 04.11.500] creates a
15 presumption that the person possessed the alcoholic beverages for sale.

16 * **Sec. 3.** AS 04.11.080 is amended to read:

17 Sec. 04.11.080. TYPES OF LICENSES AND PERMITS. Licenses and
18 permits issued under this title are as follows:

- 19 (1) beverage dispensary license;
20 (2) duplicate beverage dispensary license for additional rooms;
21 (3) restaurant or eating place license;
22 (4) club license;
23 (5) bottling works license;
24 (6) brewery license;
25 (7) package store license;
26 (8) general wholesale license;
27 (9) wholesale malt beverage and wine license;
28 (10) distillery license;
29 (11) common carrier dispensary license;
30 (12) retail stock sale license;
31 (13) recreational site license;

317195 #1
 153 CRA, JUD,
 FIN

FISCAL NOTE

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

BILL NO. SB 87

Revision Date: _____ Dept. Affected: Revenue
 Title: Alcoholic Beverages: Local BRU: Alcoholic Beverage Control Board
 Option and Misc. _____ Component: _____
 Sponsor: Senate Judiciary
 Requester: Senate C & RA COMPONENT SERIAL NO. 0100

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts (approx.)	5.0	5.0	5.0	5.0	5.0	5.0
1006 GF/MHTIA						
Other						
TOTAL	5.0	5.0	5.0	5.0	5.0	5.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Possible increase in revenue from 1) increase to penalty for filing late applications for renewal of license in Section 10, Page 5 and 2) fee collected from wholesale licensees for registration of brands in Section 8, Page 4.

Prepared by: Patrick L. Sharrock, Director Phone: 277-8638
 Division: Alcoholic Beverage Control Board Date: 3/1/95
 Approved by: _____ Date: 3/3/95
 Commissioner: Deborah Vogt
 Agency: Revenue

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SB 87