

**HB**

**162**



0-LS0434E  
Bannister  
4/24/97

CS FOR HOUSE BILL NO. 162( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTIETH LEGISLATURE - FIRST SESSION

BY

Offered:  
Referred:

Sponsor(s): REPRESENTATIVE NICHOLIA

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the sale or purchase of handicrafts on certain premises; and  
2 providing for an effective date."

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

4 \* Section 1. AS 04.16 is amended by adding a new section to read:

5 Sec. 04.16.095. Sale or purchase of handicrafts on licensed premises. (a)  
6 A person may not knowingly sell, offer to sell, purchase, or offer to purchase authentic  
7 Native handicrafts or other handicrafts if the sale, purchase, or offer is made on  
8 premises that are licensed to sell alcoholic beverages under AS 04.11.090 or 04.11.150.

9 (b) An individual who violates (a) of this section is subject to

10 (1) a fine of \$300 and up to 90 days in jail for the first offense; and  
11 (2) a fine of \$600 and up to one year in jail for each offense after the  
12 first offense.

13 (c) A person who is not an individual and who violates (a) of this section is  
14 subject to a fine of \$1,000 for the first offense and \$2,000 for each offense after the

1 first offense.

2 (d) In addition to the penalties under (b) and (c) of this section, and  
3 notwithstanding AS 04.11.370, the board shall suspend a license issued under  
4 AS 04.11.090 or 04.11.150 for 45 days for a first violation of (a) of this section, and  
5 shall revoke the license for a second violation of (a) of this section, if

6 (1) the licensee violates (a) of this section on the licensed premises; or

7 (2) a person who is employed to work on the licensed premises violates  
8 (a) of this section while working on the licensed premises.

9 (e) This section does not apply to sales, offers to sell, purchases, or offers to  
10 purchase made on premises where beer or wine is sold under a special events permit  
11 issued under AS 04.11.240.

12 (f) In this section,

13 (1) "authentic Native handicraft" has the meaning given in  
14 AS 45.65.070;

15 (2) "knowingly" has the meaning given in AS 11.81.900;

16 (3) "other handicrafts" means items that are produced, decorated, or  
17 fashioned by an individual.

18 \* Sec. 2. AS 04.16.180(a) is amended to read:

19 (a) Except as provided in AS 04.11.015, AS 04.16.025, 04.16.050(b)  
20 [~~AS 04.16.050(b)~~], 04.16.051, 04.16.095, 04.16.200 - 04.16.210, and AS 04.21.065, a  
21 person who violates a provision of this title or a regulation adopted by the board is  
22 guilty, upon conviction, of a class A misdemeanor. Each violation is a separate  
23 offense.

24 \* Sec. 3. AS 04.21.065 is amended by adding a new subsection to read:

25 (m) A licensee under AS 04.11.090 or 04.11.150 who is subject to the  
26 prohibition in AS 04.16.095(a) shall post on the licensed premises a warning sign that  
27 reads "WARNING: THE SALE OR PURCHASE OF AUTHENTIC NATIVE  
28 HANDICRAFTS OR OTHER HANDICRAFTS IS PROHIBITED BY LAW ON  
29 THESE PREMISES. A person who violates this prohibition is subject to criminal  
30 penalties. A violation may result in the suspension or revocation of this  
31 establishment's liquor license." The warning sign must be at least 11 inches by 14

1 inches, and the lettering must be at least one-half inch high and in a color that  
2 contrasts with the background of the sign. The licensee shall display the sign in a  
3 conspicuous manner.

4 \* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Bar Craft Buying on Liquor Premises BRU: Alcoholic Beverage Control Board  
 Component: Alcoholic Beverage Control Board  
 Sponsor: Rep. Nicholia  
 Requestor: (H) CRA COMPONENT SERIAL NO. 100

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	4.0	3.0	3.0	3.0	3.0	3.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>4.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	4.0					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY97) cost \$ 0.0

POSITIONS:

FULL-TIME					
PART-TIME					
TEMPORARY					

ANALYSIS: (Attach a separate page if necessary)

Section 3 of the bill requires a bar or cocktail lounge licensee to post a warning sign on his or her premises. Uniform and legible signs would need to be printed and distributed to 644 licensees by the ABC Board. The fiscal note reflects the one-time cost of the printing of a significant number of signs to comply with the law for the next five to ten years and includes postage to distribute these signs. This one-time sign cost is estimated at \$1,000.

Increased regulation increases the likelihood of increased costs associated with enforcement and administrative action. It is determined that \$3,000 per year is needed to cover the cost of legal support for the ABC Board for likely administrative actions. This \$3,000 would be transferred to the Department of Law by reimbursable services agreement.

Prepared by: Douglas B. Griffin Phone: 277-8638  
 Division: Alcoholic Beverage Control Board Date: April 22, 1997  
 Approved by Commissioner: Wilson L. Condon *[Signature]* Date: April 22, 1997  
 Agency: Revenue

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# Alaska State Legislature

Please enter into the record my testimony to the Community & Regional Affairs  
committed name

committee on HB 162, dated April 23, 1997.  
bill/subject

I support HB 162 because production + sales of arts + crafts is the primary employment in the communities of Bering Straits Region. Artists + crafts people are producing ivory + whalebone carvings, fur mukluks + slippers. Sales of these kinds of authentic arts + crafts on these premises degrades the work, both monetarily and respectfully.

As Welfare Reform begins to impact our area we need to increase the value of Alaska Native art. Especially, because Alaska Native art is already being devalued through production + sales of fraudulent Alaska Native art. This counterfeit work is the reason that "Silver Hands" program, tried to address. It's hard for that program to be effective with a small budget of \$10,000.

Authentic Alaska Native artwork belongs in galleries and shops. By nat. doing anything to discourage sales of artwork on certain licensed premises we encourage the sweatshop mentality, where artists receive small compensation for authentic, valuable work.

Signed: Agas Atuk Adook  
Testifier

self  
Representing (Optional)

Box 1485 Nome, Ak

Address  
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DEPARTMENT OF HEALTH AND  
SOCIAL SERVICES

ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE

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April 9, 1997


The Honorable Irene Nicholia  
House of Representatives  
State of Alaska  
Room 501  
State Capitol  
Juneau, Alaska 99801-1182

Dear Representative Nicholia:

The Citizen's Advisory Board on Alcoholism and Drug Abuse continues our support of your legislation that would prohibit the sale or purchase of Native handicrafts in bars. House Bill No. 162 is legislation that will assist in the correction of a long-standing problem in Alaska and will assist Alaskans in their understanding of the insidious nature of alcoholism and how it interferes with the life and livelihood of Alaskan Natives.

I hope that we will be able to act as a resource for you to forward your agenda to reduce the devastation that alcohol and other drug abuse brings to Alaskans and their communities.

Sincerely,



Banarsi Lal  
Chair