

**HB**

**15**

**SFIN**

**FILE**

Order final  
SCR

24-LS0949A

SENATE CONCURRENT RESOLUTION NO.  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced:  
Referred:

A P U R T I O N

1 Suspending Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State  
2 Legislature, concerning House Bill No. 15, relating to alcoholic beverages licenses.

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

4 That under Rule 54, Uniform Rules of the Alaska State Legislature, the provisions of  
5 Rules 24(c), 35, 41(b), and 42(e), Uniform Rules of the Alaska State Legislature, regarding  
6 changes to the title of a bill, are suspended in consideration of House Bill No. 15, relating to  
7 alcoholic beverages licenses.

# SENATE FINANCE COMMITTEE REPORT

REPORTED OUT  
MAY 2 2005  
SENATE FINANCE  
COMMITTEE

DATE: 3/14/05

FURTHER:

DATE TURNED IN TO OFFICE: 3 May 2005

Finance Committee considered CS FOR HOUSE BILL NO. 15(L&C) am

## HB 15 LIQUOR LICENSES: OUTDOOR REC. LODGE/BARS

"An Act relating to outdoor recreation lodge alcoholic beverage licenses; relating to transfer of certain beverage dispensary licenses issued before June 6, 1985; and providing for an effective date."

and recommends:

- be replaced with S CS CS HB 15 (FIN)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

<b>Senate Bill:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	New Title
<b>House Bill:</b>	
<input type="checkbox"/>	Same Title
<input type="checkbox"/>	Technical Title Change
<input checked="" type="checkbox"/>	New Title w/ SCR # _____

**NEW FISCAL NOTE(S):**

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Ind.	Zero	FN#

Department	Date	Fiscal	Ind.	Zero	FN#
DPS	1/24/05	*		<input checked="" type="checkbox"/>	#2
F&G	1/24/05			<input checked="" type="checkbox"/>	#1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
<i>[Signature]</i>			<input checked="" type="checkbox"/>	
COCHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>			
COCHAIR: <i>[Signature]</i>	<input checked="" type="checkbox"/>			

# FISCAL NOTE

REPORTED OUT  
  
MAY 2 2005  
  
SENATE FINANCE  
COMMITTEE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: CSHB 15(L&C)  
(H) Publish Date: 2/2/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Fish and Game  
Title: Seasonal Hunt/Fish Lodge Liquor RDU \_\_\_\_\_  
License Component \_\_\_\_\_  
Sponsor: Representative Meyer  
Requester: House Labor & Commerce Committee Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2006) \_\_\_\_\_ 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
Passage of this legislation would have no fiscal impact.

Prepared by: Sarah Gilbertson Phone: 465-6137  
Division: Legislative Liaison Date/Time: 1/24/05 12:21 PM  
Approved by: Acting Commissioner Wayne Regelin Date: 1/24/2005  
Agency: Alaska Department of Fish & Game

## COMMITTEE COPY

# FISCAL NOTE

REPORTED OUT

MAY 2 2005

SENATE FINANCE  
COMMITTEE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 2  
 Bill Version: CSHB 15(L&C)  
 (H) Publish Date: 2/2/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Public Safety  
 Title An Act relating to seasonal alcoholic beverage RDU Alcoholic Beverage Control Board  
licenses Component ABC Board  
 Sponsor Representative Meyer  
 Requester H. Labor and Commerce Component No. 2690

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUE	18.8	12.5	25.0	18.8	25.0	18.8
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts	18.8	12.5	25.0	18.8	25.0	18.8
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>18.8</b>	<b>12.5</b>	<b>25.0</b>	<b>18.8</b>	<b>25.0</b>	<b>18.8</b>

Estimate of any current year (FY2005) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** *(Attach a separate page if necessary)*

The state will issue new licenses to lodges, so the fiscal impact of this legislation should be positive. The difficult question will be determining how many licenses will be issued. While there will be some additional cost to the Alcohol Beverage Control (ABC) Board (staff time, postage, criminal background checks, long distance telephone, printing of signs), these additional costs can be absorbed assuming the Legislature approves increments in the fiscal year (FY) 06 budget.

For purposes of this fiscal note, I have conservatively estimated 15 new licenses issued in FY 06 and 10 new licenses in FY 07. When the 15 FY 06 licenses renew in FY 08 we will add another 5 licenses and additional 5 licenses will be added in FY 09 plus renewals.

Prepared by: Douglas B. Griffin, Director Phone 269-0350  
 Division: Alcoholic Beverage Control Board Date/Time 1/24/05 11:43 AM  
 Approved by: Commissioner William Tandeske Date 1/24/2005  
 Agency: Department of Public Safety

SENATE FINANCE

COMMITTEE

Amendment Number: #1

Bill Number: HB 15

Sponsor: Green Date: 4/28/05

Logged In By: Mindy

24-LS0075\SA.5

Luckhaupt

4/28/05

AMENDMENT

adopted

OFFERED IN THE SENATE

TO: CSHB 15(L&C) am

Sponsored by Sen. Green

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

2 Insert "relating to brewpub licenses;"

3

4 Page 1, following line 6:

5 Insert new bill sections to read:

6 \*\* Sec. 2. AS 04.11.135(a) is amended to read:

7 (a) A brewpub license authorizes the holder of a beverage dispensary license  
8 to

9 (1) manufacture on premises licensed under the beverage dispensary  
10 license not more than 150,000 gallons of beer in a calendar year;

11 (2) sell beer manufactured on premises licensed under the beverage  
12 dispensary license for consumption on the licensed premises or other licensed  
13 premises of the beverage dispensary licensee that are also licensed as a beverage  
14 dispensary;

15 (3) sell beer manufactured on the premises licensed under the beverage  
16 dispensary license in quantities of not more than five gallons per day to an individual  
17 who is present on the licensed premises;

18 (4) provide a small sample of the brewpub's beer manufactured on the  
19 premises free of charge unless prohibited by AS 04.16.030; and

20 (5) sell beer manufactured on the premises licensed under the beverage  
21 dispensary license to a person licensed as a wholesaler under AS 04.11.160 [; SALES  
22 UNDER THIS PARAGRAPH MAY NOT EXCEED 15,000 GALLONS OR THE  
23 AMOUNT SOLD UNDER THIS PARAGRAPH IN CALENDAR YEAR 2001.

1 PLUS 10 PERCENT, WHICHEVER AMOUNT IS GREATER].

2 \* Sec. 3. AS 04.11.135(a) is amended to read:

3 (a) A brewpub license authorizes the holder of a beverage dispensary license  
4 to

5 (1) manufacture on premises licensed under the beverage dispensary  
6 license not more than 150,000 gallons of beer in a calendar year;

7 (2) sell beer manufactured on premises licensed under the beverage  
8 dispensary license for consumption on the licensed premises or other licensed  
9 premises of the beverage dispensary licensee that are also licensed as a beverage  
10 dispensary;

11 (3) sell beer manufactured on the premises licensed under the beverage  
12 dispensary license in quantities of not more than five gallons per day to an individual  
13 who is present on the licensed premises;

14 (4) provide a small sample of the brewpub's beer manufactured on the  
15 premises free of charge unless prohibited by AS 04.16.030; and

16 (5) sell beer manufactured on the premises licensed under the beverage  
17 dispensary license to a person licensed as a wholesaler under AS 04.11.160; sales  
18 under this paragraph may not exceed 15,000 gallons or the amount sold under  
19 this paragraph in calendar year 2001, plus 10 percent, whichever amount is  
20 greater.

21 \* Sec. 4. AS 04.11.135(d) is amended to read:

22 (d) Notwithstanding (a) of this section, the holder of a brewpub license who,  
23 under the provisions of AS 04.11.450(b), formerly held a brewery license and a  
24 restaurant or eating place license and who, under the former brewery license,  
25 manufactured beer at a location other than the premises licensed under the former  
26 restaurant or eating place license may

27 (1) manufacture not more than 150,000 gallons of beer in a calendar  
28 year on premises other than the premises licensed under the beverage dispensary  
29 license;

30 (2) provide a small sample of the manufactured beer free of charge at  
31 the location the beer is manufactured unless prohibited by AS 04.16.030; and

1 (3) sell the beer authorized to be manufactured under this subsection

2 (A) on the premises licensed under the beverage dispensary  
3 license or other licensed premises of the beverage dispensary licensee that are  
4 also licensed as a beverage dispensary;

5 (B) to a wholesaler licensed under AS 04.11.160; [SALES  
6 UNDER THIS SUBPARAGRAPH MAY NOT EXCEED 15,000 GALLONS  
7 OR THE AMOUNT SOLD UNDER THIS SUBPARAGRAPH IN  
8 CALENDAR YEAR 2001, PLUS 10 PERCENT, WHICHEVER AMOUNT  
9 IS GREATER;] or

10 (C) to an individual who is present on the premises described  
11 under (A) of this paragraph, or where the beer is manufactured, in quantities of  
12 not more than five gallons per day.

13 \* Sec. 5. AS 04.11.135(d) is amended to read:

14 (d) Notwithstanding (a) of this section, the holder of a brewpub license who,  
15 under the provisions of AS 04.11.450(b), formerly held a brewery license and a  
16 restaurant or eating place license and who, under the former brewery license,  
17 manufactured beer at a location other than the premises licensed under the former  
18 restaurant or eating place license may

19 (1) manufacture not more than 150,000 gallons of beer in a calendar  
20 year on premises other than the premises licensed under the beverage dispensary  
21 license;

22 (2) provide a small sample of the manufactured beer free of charge at  
23 the location the beer is manufactured unless prohibited by AS 04.16.030; and

24 (3) sell the beer authorized to be manufactured under this subsection

25 (A) on the premises licensed under the beverage dispensary  
26 license or other licensed premises of the beverage dispensary licensee that are  
27 also licensed as a beverage dispensary;

28 (B) to a wholesaler licensed under AS 04.11.160; sales under  
29 this subparagraph may not exceed 15,000 gallons or the amount sold  
30 under this subparagraph in calendar year 2001, plus 10 percent,  
31 whichever amount is greater; or

1 (C) to an individual who is present on the premises described  
2 under (A) of this paragraph, or where the beer is manufactured, in quantities of  
3 not more than five gallons per day."  
4

5 Renumber the following bill sections accordingly.

6

7 Page 4, line 13:

8 Delete "This Act takes"

9 Insert "Sections 1 and 6 - 9 of this Act take"

10

11 Page 4, following line 13:

12 Insert new bill sections to read:

13 **"\* Sec. 11. Sections 2 and 4 of this Act take effect July 1, 2005.**

14 **\* Sec. 12. Sections 3 and 5 of this Act take effect December 31, 2005."**

SENATE FINANCE COMMITTEE  
4/28/2005 COMMITTEE ACTION

Bill Number	HB 15		
Amendment	#1		
Motion	adpt		
<u>Motion by</u>	Wilken		
<u>Objection by</u>	Green		
<u>Removed</u>	✓		
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Olson			
Senator Stedman			
Senator Bunde			
Senator Dyson			
Senator Hoffman			
Co-Chair Wilken			
Co-Chair Green			
<u>Tally</u>			
Yea			
Nay			
Absent			
<b>MOTION</b>	Pass		

Amendment #2

Added 5/5/05

24-LS00751S.A

Conceptual

CS FOR HOUSE BILL NO. 15(L&C) am

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Amended: 2/22/05

Offered: 2/4/05

Sponsor(s): REPRESENTATIVES MEYER, Foster, Olson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to outdoor recreation lodge alcoholic beverage licenses; relating to  
2 transfer of certain beverage dispensary licenses issued before June 6, 1985; and  
3 providing for an effective date."

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

5 \* Section 1. AS 04.11.080 is amended by adding a new paragraph to read:

6 (21) outdoor recreation lodge license.

7 \* Sec. 2. AS 04.11 is amended by adding a new section to read:

8 Sec. 04.11.225. Outdoor recreation lodge license. (a) An outdoor recreation  
9 lodge license authorizes the holder to sell alcoholic beverages to a registered overnight  
10 guest or off-duty staff of the lodge for consumption on the licensed premises or in  
11 conjunction with purchased outdoor recreation activities provided by the licensee. An  
12 outdoor recreation lodge license may not be transferred.

13 (b) The biennial fee for an outdoor recreation lodge license is \$1,250.

14 (c) In this section, "outdoor recreation lodge" means a <sup>licensed</sup> business that provides  
^

1 overnight accommodations and meals, is primarily involved in offering opportunities  
 2 for persons to engage in outdoor recreation activities, and has a minimum of two guest  
 3 rooms.

4 \* Sec. 3. AS 04.11.360 is amended to read:

5 Sec. 04.11.360. Denial of transfer of a license to another person. An  
 6 application requesting approval of a transfer of a license to another person under this  
 7 title shall be denied if

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

10 (2) the application has not been completed in accordance with  
 11 AS 04.11.280;

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

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

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

17 (B) the transfer is under [PURSUANT TO] a promise given as  
 18 collateral by the transferor to the transferee in the course of an earlier transfer  
 19 of the license under which promise the transferor is obliged to transfer the  
 20 license back to the transferee in the event of default in payment for property  
 21 conveyed as part of the earlier transfer of the license;

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

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

26 (7) transfer of the license to another person is prohibited under the  
 27 provisions of this title as a result of an election conducted under AS 04.11.507;

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

30 (9) the license was issued under AS 04.11.100(f) or 04.11.400(g);  
 31 however, this paragraph does not apply to a beverage dispensary license issued

SENATE FINANCE COMMITTEE  
5/1 / 2005 COMMITTEE ACTION

Bill Number	HB 15		
Amendment	#2		
Motion	adopt		
<u>Motion by</u>	Wilken		
<u>Objection by</u>	none		
<u>Removed</u>			
<u>Second Objection by</u>			
<u>Committee Member</u>	Y	<u>Vote</u>	N
Senator Bunde			
Senator Dyson			
Senator Hoffman			
Senator Olson			
Senator Stedman			
Co-Chair Wilken			
Co-Chair Green			
<u>Tally</u>			
Yea			
Nay			
Absent			
<b>MOTION</b>	Pass		



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### FAX COVER SHEET

DATE: 2 May 2005 TIME: 3:30 pm

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 2

FROM: MINDY ROWLAND  
SENATE FINANCE COMMITTEE SECRETARY  
PHONE: 465-4935  
FAX: 465-2187

NOTES: Final Please  
SCS CS HB 15 (FIN) 24-LS0075/S.A  
Plus 2 amendments: \ SA.5  
and amendment #2 attached

Thanks

Mindy

SENATE CS FOR CS FOR HOUSE BILL NO. 15(FIN)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): REPRESENTATIVES MEYER, Foster, Olson

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to brewpub licenses; relating to outdoor recreation lodge alcoholic  
2 beverage licenses; relating to transfer of certain beverage dispensary licenses issued  
3 before June 6, 1985; and providing for an effective date."

Amendment #1

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

5 \* Section 1. AS 04.11.080 is amended by adding a new paragraph to read:

6 (21) outdoor recreation lodge license.

7 \* Sec. 2. AS 04.11.135(a) is amended to read:

8 (a) A brewpub license authorizes the holder of a beverage dispensary license  
9 to

#1

10 (1) manufacture on premises licensed under the beverage dispensary  
11 license not more than 150,000 gallons of beer in a calendar year;

12 (2) sell beer manufactured on premises licensed under the beverage  
13 dispensary license for consumption on the licensed premises or other licensed  
14 premises of the beverage dispensary licensee that are also licensed as a beverage

1 dispensary;

2 (3) sell beer manufactured on the premises licensed under the beverage  
3 dispensary license in quantities of not more than five gallons per day to an individual  
4 who is present on the licensed premises;

5 (4) provide a small sample of the brewpub's beer manufactured on the  
6 premises free of charge unless prohibited by AS 04.16.030; and

7 (5) sell beer manufactured on the premises licensed under the beverage  
8 dispensary license to a person licensed as a wholesaler under AS 04.11.160 [; SALES  
9 UNDER THIS PARAGRAPH MAY NOT EXCEED 15,000 GALLONS OR THE  
10 AMOUNT SOLD UNDER THIS PARAGRAPH IN CALENDAR YEAR 2001,  
11 PLUS 10 PERCENT, WHICHEVER AMOUNT IS GREATER].

12 \* Sec. 3. AS 04.11.135(a) is amended to read:

13 (a) A brewpub license authorizes the holder of a beverage dispensary license  
14 to

15 (1) manufacture on premises licensed under the beverage dispensary  
16 license not more than 150,000 gallons of beer in a calendar year;

17 (2) sell beer manufactured on premises licensed under the beverage  
18 dispensary license for consumption on the licensed premises or other licensed  
19 premises of the beverage dispensary licensee that are also licensed as a beverage  
20 dispensary;

21 (3) sell beer manufactured on the premises licensed under the beverage  
22 dispensary license in quantities of not more than five gallons per day to an individual  
23 who is present on the licensed premises;

24 (4) provide a small sample of the brewpub's beer manufactured on the  
25 premises free of charge unless prohibited by AS 04.16.030; and

26 (5) sell beer manufactured on the premises licensed under the beverage  
27 dispensary license to a person licensed as a wholesaler under AS 04.11.160; sales  
28 under this paragraph may not exceed 15,000 gallons or the amount sold under  
29 this paragraph in calendar year 2001, plus 10 percent, whichever amount is  
30 greater.

31 \* Sec. 4. AS 04.11.135(d) is amended to read:

#1

1 (d) Notwithstanding (a) of this section, the holder of a brewpub license who,  
 2 under the provisions of AS 04.11.450(b), formerly held a brewery license and a  
 3 restaurant or eating place license and who, under the former brewery license,  
 4 manufactured beer at a location other than the premises licensed under the former  
 5 restaurant or eating place license may

6 (1) manufacture not more than 150,000 gallons of beer in a calendar  
 7 year on premises other than the premises licensed under the beverage dispensary  
 8 license;

9 (2) provide a small sample of the manufactured beer free of charge at  
 10 the location the beer is manufactured unless prohibited by AS 04.16.030; and

11 (3) sell the beer authorized to be manufactured under this subsection

12 (A) on the premises licensed under the beverage dispensary  
 13 license or other licensed premises of the beverage dispensary licensee that are  
 14 also licensed as a beverage dispensary;

15 (B) to a wholesaler licensed under AS 04.11.160; [SALES  
 16 UNDER THIS SUBPARAGRAPH MAY NOT EXCEED 15,000 GALLONS  
 17 OR THE AMOUNT SOLD UNDER THIS SUBPARAGRAPH IN  
 18 CALENDAR YEAR 2001, PLUS 10 PERCENT, WHICHEVER AMOUNT  
 19 IS GREATER;] or

20 (C) to an individual who is present on the premises described  
 21 under (A) of this paragraph, or where the beer is manufactured, in quantities of  
 22 not more than five gallons per day.

23 \* Sec. 5. AS 04.11.135(d) is amended to read:

24 (d) Notwithstanding (a) of this section, the holder of a brewpub license who,  
 25 under the provisions of AS 04.11.450(b), formerly held a brewery license and a  
 26 restaurant or eating place license and who, under the former brewery license,  
 27 manufactured beer at a location other than the premises licensed under the former  
 28 restaurant or eating place license may

29 (1) manufacture not more than 150,000 gallons of beer in a calendar  
 30 year on premises other than the premises licensed under the beverage dispensary  
 31 license;

→

1 (2) provide a small sample of the manufactured beer free of charge at  
2 the location the beer is manufactured unless prohibited by AS 04.16.030; and

#1

3 (3) sell the beer authorized to be manufactured under this subsection

4 (A) on the premises licensed under the beverage dispensary  
5 license or other licensed premises of the beverage dispensary licensee that are  
6 also licensed as a beverage dispensary;

7 (B) to a wholesaler licensed under AS 04.11.160; sales under  
8 this subparagraph may not exceed 15,000 gallons or the amount sold  
9 under this subparagraph in calendar year 2001, plus 10 percent,  
10 whichever amount is greater; or

11 (C) to an individual who is present on the premises described  
12 under (A) of this paragraph, or where the beer is manufactured, in quantities of  
13 not more than five gallons per day.

14 \* Sec. 6. AS 04.11 is amended by adding a new section to read:

15 **Sec. 04.11.225. Outdoor recreation lodge license.** (a) An outdoor recreation  
16 lodge license authorizes the holder to sell alcoholic beverages to a registered overnight  
17 guest or off-duty staff of the lodge for consumption on the licensed premises or in  
18 conjunction with purchased outdoor recreation activities provided by the licensee. An  
19 outdoor recreation lodge license may not be transferred.

20 (b) The biennial fee for an outdoor recreation lodge license is \$1,250.

21 (c) In this section, "outdoor recreation lodge" means a licensed business that  
22 provides overnight accommodations and meals, is primarily involved in offering  
23 opportunities for persons to engage in outdoor recreation activities, and has a  
24 minimum of two guest rooms.

#2

25 \* Sec. 7. AS 04.11.360 is amended to read:

26 **Sec. 04.11.360. Denial of transfer of a license to another person.** An  
27 application requesting approval of a transfer of a license to another person under this  
28 title shall be denied if

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

31 (2) the application has not been completed in accordance with

1 AS 04.11.280;

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

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

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

7 (B) the transfer is under [PURSUANT TO] a promise given as  
8 collateral by the transferor to the transferee in the course of an earlier transfer  
9 of the license under which promise the transferor is obliged to transfer the  
10 license back to the transferee in the event of default in payment for property  
11 conveyed as part of the earlier transfer of the license;

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

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

16 (7) transfer of the license to another person is prohibited under the  
17 provisions of this title as a result of an election conducted under AS 04.11.507;

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

20 (9) the license was issued under AS 04.11.100(f) or 04.11.400(g);  
21 however, this paragraph does not apply to a beverage dispensary license issued  
22 before June 6, 1985, under former AS 04.11.400(j) if the transfer does not involve  
23 a change in location; or

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

27 \* Sec. 8. AS 04.11.400(a) is amended to read:

28 (a) Except as provided in (d) - (h), [AND] (k), and (m) of this section, a new  
29 license may not be issued and the board may prohibit relocation of an existing license

30 (1) outside an established village, incorporated city, unified  
31 municipality, or organized borough if after the issuance or relocation there would be

1 (A) more than one restaurant or eating place license for each 1,500 population or  
 2 fraction of that population, or (B) more than one license of each other type, including  
 3 licenses that have been issued under (d) or (e) of this section, for each 3,000  
 4 population or fraction of that population, in a radius of five miles of the licensed  
 5 premises, excluding the populations of established villages, incorporated cities, unified  
 6 municipalities, and organized boroughs that are wholly or partly included within the  
 7 radius:

8 (2) inside an established village, incorporated city, or unified  
 9 municipality if after the issuance or relocation there would be inside the established  
 10 village, incorporated city, or unified municipality

11 (A) more than one restaurant or eating place license for each  
 12 1,500 population or fraction of that population; or

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

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

20 (A) more than one restaurant or eating place license for each  
 21 1,500 population or fraction of that population; or

22 (B) more than one license of each other type, including licenses  
 23 that have been issued under (d) or (e) of this section, for each 3,000 population  
 24 or fraction of that population excluding the population of those established  
 25 villages that have adopted a local option under AS 04.11.491(b)(1), (3), or (4),  
 26 and excluding the population of incorporated cities located within the  
 27 organized borough.

28 \* Sec. 9. AS 04.11.400 is amended by adding a new subsection to read:

29 (m) The board may approve the issuance of a outdoor recreation lodge license  
 30 without regard to (a) of this section if it appears that the issuance will encourage the  
 31 tourist trade by encouraging the construction or improvement of a business relating to

1 the tourist trade and the business meets the requirements for issuance of the license  
2 under AS 04.11.225.

3 \* Sec. 10. Sections 1 and 6 - 9 of this Act take effect immediately under AS 01.10.070(c).

4 \* Sec. 11. Sections 2 and 4 of this Act take effect July 1, 2005.

5 \* Sec. 12. Sections 3 and 5 of this Act take effect December 31, 2005.

#1



Official Business

# Alaska State Senate

## Senate Finance Committee

Mail Stop 3100  
State Capitol  
Juneau, Alaska 99801-1182

### FAX COVER SHEET

DATE: 2 May 2005 TIME: 3:30pm

TO: Legal Services

NUMBER OF PAGES, INCLUDING COVER SHEET: 1

FROM: MINDY ROWLAND  
SENATE FINANCE COMMITTEE SECRETARY  
PHONE: 465-4935  
FAX: 465-2187

NOTES: Final Please  
SCR \_\_\_\_\_ 24-LS0949\A  
title change to HB 15  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



March 23, 2005

file  
HB 15

The Honorable Lyda Green  
Senate Finance Committee  
Alaska State Capitol Building, Room 516  
Juneau, Alaska 99801

MAR 29 2005

Re: House Bill 15

Dear Senator Lyda Green,

This letter reflects the decision by the Alaska Travel Industry Association Board of Directors supporting HB 15 relating to the transfer of certain beverage dispensary licenses issued before June 6, 1985, and providing for an effective date.

The tourism industry supports legislation that would give the opportunity for door recreation businesses to offer said services to their guests and bring them into the purview of a legal business practice.

Sincerely,

Ron Peck  
President & COO  
Alaska Travel Industry Association

# SENATE COMMITTEE REPORT

DATE: 2/23/05

FURTHER: Finance

DATE TURNED  
IN TO OFFICE: 3-10-05

Labor and Commerce Committee considered CS FOR HOUSE BILL NO. 15(L&C) am

## HB 15 LIQUOR LICENSES: OUTDOOR REC. LODGE/BARS

"An Act relating to outdoor recreation lodge alcoholic beverage licenses; relating to transfer of certain beverage dispensary licenses issued before June 6, 1985; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to \_\_\_\_\_ Committee

**Senate Bill:**  
 Same Title  
 New Title

**House Bill:**  
 Same Title  
 Technical Title Change  
 New Title w/ SCR # \_\_\_\_\_

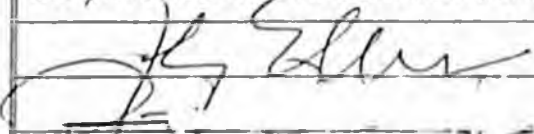
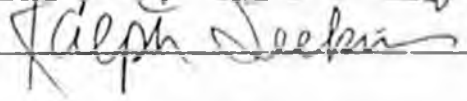

**NEW FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#

**PREVIOUS FISCAL NOTE(S):**

Department	Date	Fiscal	Indet.	Zero	FN#
DPS	1/24/05	✓			2
F&G	1/24/05			✓	1

APPROPRIATION - no fiscal note

SIGNATURES AND RECOMMENDATIONS:	DO PASS	DO NOT PASS	NO REC	AMEND
Ellis 			X	
Seekins 	✓			
CHAIR: 	✓			