

SB

165

<TARGET><BILL>SB 165</BILL><SUBJECT>SB
165</SUBJECT><COMM>HJUD29</COMM></TARGET>

SENATOR PETER A. MICCICHE

Alaska State Legislature

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CSSB 165(JUD) Sponsor Statement

INTRODUCTION

Bear Creek

Senate Bill 165 is the product of an ongoing comprehensive, multiyear modernization process for Title 4, Alaska's statutes that govern the regulation and control of alcoholic beverages in the

Cooper Landing

state. Title 4 is largely unchanged since enactment in 1980. It is widely recognized to be

Crown Point

outdated, and ineffectual in carrying out the intent of the statutes, which directly impact Alaska residents, public safety, public health, and the alcoholic beverage industry.

Funny River

Hope

Following a 3-year review and update by stakeholders, SB99 was introduced in April 2015, a large body of work spanning nearly 100 pages. The complexity of the bill and the need for additional stakeholder work to gain consensus on several licensing issues, prompted the ABC Board Title 4 Review Steering Committee in December 2015 to recommend a new, two-track process for Title 4 rewrite -- 1) streamline elements of SB99 into SB 165 that focuses on areas where broad consensus currently exists, particularly those items that impact youth; and, 2) hold the remaining provisions for further refinement and introduction as a second package in 2017.

Kalifornsky

Kenai

Lowell Point

Mickey Lake

Moose Pass

Nikiski

Primrose

Ridgeway

Salamatof

Seward

Soldotna

Sterling

CSSB 165(JUD) focuses on a discrete set of consensus recommendations which includes ABC Board member Composition and Qualifications (04.16.020); clarifying that minors are allowed to play and work on golf courses that serve alcoholic beverages; establish the offenses of Minor on Licensed Premises (04.16.049) and Minors in Possession or Consuming (04.16.050) to be violations; provides that such violations may not be published on Courtview, nor be cause for a driver's license cancellation or revocation; encourages alcohol education or treatment upon conviction of minor consuming and possession offenses; and requires background checks for persons applying to operate marijuana establishments, as is currently required of alcohol licensees.

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HCS CSSB 165(L&C) Sectional Summary

Section 1 – Repeals and reenacts AS 04.06.020, relating to the appointment, reappointment and qualifications of members of the Alcoholic Beverage Control Board; and establishing definitions.

Section 2 – In AS 04.06.030, *Terms of office; chair* - changes "chairman" to "chair".

Section 3 – In AS 04.06.050, *Meetings* - changes "chairman" to "chair".

Section 4 – Amends AS 04.16.049(a), relating to *access by minors to licensed premises*; adds a reference to 04.11.110 permitting access to club premises by a person under 21 years of age if no alcoholic beverages are present or if the person has an active duty military card; changes "age of 21 years" to "21 years of age" to conform to current drafting style, and; identifies circumstances under which minors may be employed on licensed premises.

Section 5 – Amends AS 04.16.049(b), changing "age of 21 years" to "21 years of age" to conform to current drafting style.

Section 6 – Amends AS 04.16.049(c), allowing juveniles, 16 & 17 years of age, to be employed on golf course licensed premises as long as they are not serving alcohol, have written consent of guardian or parent, and an exemption granted by the Department of Labor.

Section 7 – Amends AS 04.16.049(d), to allow minors, 18 – 20 years of age, to be employed within the licensed premises of a golf course as long as they do not sell, serve, deliver, or dispense alcoholic beverages.

Section 8 – Adds a new subsection (g) to AS 04.16.049 to permit access by minors to golf courses for the purpose of playing golf. Adds new subsections making unauthorized presence by a minor on licensed premises a violation, punishable by a fine of \$500, which must be charged and filed with the court as a separate case. The fine may be reduced by a court to \$50 for a person who has not more than one previous violation or to \$250 for a person who has two

or more previous violations if the minor supplies proof of completion of an alcohol safety action program or a community diversion panel.

Section 9 – Repeals and reenacts AS 04.16.050 to make minor consuming a violation, punishable by a fine of \$500, which must be charged and filed with the court as a separate case. The fine may be reduced by a court to \$50 for a person who has not more than one previous violation or to \$250 for a person who has two or more previous violations if the minor supplies proof of completion of an alcohol safety action program or a community diversion panel.

Section 10 – Modifies the required language for warning signs on licensed or designated premises in AS 04.21.065(b).

Section 11 – Adds a new provision in 04.21.078 barring the court system from publishing on a publicly available website the record of a violation of AS 04.16.049 or 04.16.050, or a similar municipal ordinance, if the violation was charged separately and was not joined with another minor offense or criminal charge.

Section 12 – Amends 04.21.080(b) *Definitions*, add definition for “community diversion panel”

Section 13 – Amends AS 12.62.400(a) *National criminal history record checks for employment, licensing, and other noncriminal justice purposes* authorizing Department of Public Safety to obtain a criminal history record check of a person applying for a license to operate a marijuana establishment, as is currently required for alcohol beverage licensees.

Section 14 – Amends 17.38.200(a) requiring applicants for registration to operate marijuana establishments to submit to a criminal history record check.

Section 15

Amends AS 21.36.210(a) *Limits on cancellation*, to remove a reference to AS 21.96.027 due to repeal and reenactment of AS 04.16.050.

Section 16 – Amends AS 28.15.057(a) *Restrictions on driver’s license issued to person under 18*, to reflect the repeal and reenactment of AS 04.16.050.

Section 17 – Amends AS 28.15.191(a) *Court and parole board reports to department* removes court requirement to forward to DMV a record of a minor consuming alcohol violation conviction within five working days.

Section 18 – Amends AS 28.15.211(g) removes reference to DMV not issuing or reissuing a driver’s license to a person whose license was revoked for an offense under 04.16.050.

Section 19 – Amends the uncodified law of the State of Alaska, adding a new section describing a Direct Court Rule Amendment to Rule 17(a), Alaska Rules of Minor Offense Procedure, providing an exception to when a prosecutor may join a minor offense with a related criminal offense.

Section 20 - Amends the uncodified law of the State of Alaska, adding a new subsection (g) to Rule 17, Alaska Rules of Minor Offense Procedure, providing that a prosecutor may not join a minor offense for a violation of AS04.16.049 or AS 04.16.050 with a related criminal offense.

Section 21 – Repeals various sections that have to do with denial, cancelation or non-renewal of insurance for minor consuming violations, court revocation of a driver’s license for minor consuming alcohol, and Health & Social Services agreements under Delinquent Minor rules to revoke a driver’s license for minor consuming alcohol offenses.

Section 22 – Applicability provisions.

Section 23 – Transition provisions relating to membership on the ABC Board.

29-LS1384E
Bruce
4/13/16

HOUSE CS FOR CS FOR SENATE BILL NO. 165(L&C)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR MICCICHE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the presence of minors in the licensed premises of manufacturers,**
2 **wholesalers, and retailers of alcoholic beverages; relating to the Alcoholic Beverage**
3 **Control Board; relating to background checks for persons applying to operate**
4 **marijuana establishments; relating to the offense of minor consuming; relating to**
5 **revocation of a driver's license for a minor consuming offense; relating to the effect of**
6 **the revocation of a driver's license for a minor consuming offense on a motor vehicle**
7 **liability insurance policy; and amending Rule 17, Alaska Rules of Minor Offense**
8 **Procedure."**

9 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

10 *** Section 1.** AS 04.06.020 is repealed and reenacted to read:

11 **Sec. 04.06.020. Appointment and qualifications.** (a) The board consists of
12 five members appointed by the governor and confirmed by a majority of the members

1 of the legislature in joint session. A member of the board may not hold any other state
2 or federal office, either elective or appointive.

3 (b) Except as provided in (c) of this section, at the time of appointment or
4 reappointment, one member of the board shall be actively engaged in the public safety
5 sector, one member of the board shall represent the general public, one member of the
6 board shall have resided in a rural area within the previous five years, and two
7 members of the board shall be actively engaged in the alcoholic beverage industry.

8 (c) A member of the board may not hold a wholesale alcoholic beverage
9 license or be an officer, agent, or employee of a wholesale alcoholic beverage
10 enterprise. Not more than two members of the board may be engaged in the same
11 business, occupation, or profession. A board member actively engaged in the public
12 safety sector, from a rural area, or representing the general public may not have, or
13 have an immediate family member who has, a financial interest in a business for
14 which a license is issued. A board member representing the general public may not be
15 affiliated with the public safety sector or the public health sector.

16 (d) In this section,

17 (1) "immediate family member" means a spouse, child, or parent;

18 (2) "public health sector" means a profession that primarily has the
19 responsibility to protect the safety and improve the health of communities through
20 education, policy making, and research for disease and injury prevention;

21 (3) "public safety sector" means a peace officer, a municipal or state
22 prosecutor, a former judicial officer, or a profession that primarily has the authority to
23 provide for the welfare and protection of the general public through the enforcement
24 of municipal, state, or federal laws;

25 (4) "rural area" means a community with a population of 7,000 or less
26 that is not connected by road or rail to Anchorage or Fairbanks or with a population of
27 2,000 or less that is connected by road or rail to Anchorage or Fairbanks; in this
28 paragraph,

29 (A) "community" means a city as that term is defined in
30 AS 29.71.800, and an established village that is located in a borough or the
31 unorganized borough;

1 (B) "population" means the population of a community as
2 determined under AS 29.60.860(c).

3 * **Sec. 2.** AS 04.06.030(c) is amended to read:

4 (c) The board shall select a **chair** [CHAIRMAN] from among its members.

5 * **Sec. 3.** AS 04.06.050 is amended to read:

6 **Sec. 04.06.050. Meetings.** The board shall meet at the call of the **chair**
7 [CHAIRMAN]. The board shall also meet at least once each year in each judicial
8 district of the state to study this title and to modify existing board regulations in light
9 of statewide and local problems.

10 * **Sec. 4.** AS 04.16.049(a) is amended to read:

11 (a) A person under [THE AGE OF] 21 years **of age** may not knowingly enter
12 or remain in premises licensed under this title unless

13 (1) accompanied by a parent, guardian, or spouse who has attained
14 [THE AGE OF] 21 years **of age**;

15 (2) the person is at least 16 years of age, the premises are designated
16 by the board as a restaurant for the purposes of this section, and the person enters and
17 remains only for dining;

18 (3) the person is under [THE AGE OF] 16 years **of age**, is
19 accompanied by a person over [THE AGE OF] 21 years **of age**, the parent or guardian
20 of the underaged person consents, the premises are designated by the board as a
21 restaurant for the purposes of this section, and the person enters and remains only for
22 dining; [OR]

23 (4) the person is permitted on the premises under **a club license issued**
24 **under** AS 04.11.110(g); **or**

25 **(5) otherwise provided under (c), (d), or (g) of this section.**

26 * **Sec. 5.** AS 04.16.049(b) is amended to read:

27 (b) Notwithstanding (a) of this section, a licensee or an agent or employee of
28 the licensee may refuse entry to a person under [THE AGE OF] 21 years **of age** to that
29 part of licensed premises in which alcoholic beverages are sold, served, or consumed,
30 may refuse service to a person under [THE AGE OF] 21 years **of age**, or may require
31 a person under [THE AGE OF] 21 years **of age** to leave the portion of the licensed

1 premises in which alcoholic beverages are sold, served, or consumed.

2 * **Sec. 6.** AS 04.16.049(c) is amended to read:

3 (c) Notwithstanding any other provision in this section, a person 16 or 17
4 years of age may enter and remain within the licensed premises of a hotel, golf course,
5 or restaurant [,] or eating place in the course of employment if (1) the employment
6 does not involve the serving, mixing, delivering, or dispensing of alcoholic beverages;
7 (2) the person has the written consent of a parent or guardian; and (3) an exemption
8 from the prohibition of AS 23.10.355 is granted by the Department of Labor and
9 Workforce Development. The board, with the approval of the governing body having
10 jurisdiction and at the licensee's request, shall designate which premises are hotels,
11 golf courses, restaurants, or eating places for the purposes of this subsection.

12 * **Sec. 7.** AS 04.16.049(d) is amended to read:

13 (d) Notwithstanding any other provision in this section, a person 18, 19, or 20
14 years of age may be employed within the licensed premises of a hotel, golf course, or
15 restaurant [,] or eating place, may enter and remain within those premises for the
16 purpose of employment, but may not, in the course of employment, sell, serve, deliver,
17 or dispense alcoholic beverages.

18 * **Sec. 8.** AS 04.16.049 is amended by adding new subsections to read:

19 (g) Notwithstanding any other provision in this section, a person under 21
20 years of age may be present on licensed premises on a golf course for the purpose of
21 playing golf or attending golf-related activities if the person

22 (1) is at least 16 years of age; or

23 (2) is under 16 years of age and

24 (A) the person is accompanied by a person who is at least 21
25 years of age; and

26 (B) a parent or guardian of the underage person consents.

27 (h) A person under 21 years of age who knowingly enters or remains on
28 premises licensed under this title except as allowed in this section commits the offense
29 of unauthorized presence by a person under 21 years of age on licensed premises.

30 (i) Unauthorized presence by a person under 21 years of age on licensed
31 premises is a violation, punishable by a fine of \$500. The violation must be charged

1 and filed with the court as a separate case and may not be combined or joined with any
2 other minor offense or criminal charge in one action at the time of filing. A court may
3 reduce the fine to \$50 for a person who has not more than one previous violation or to
4 \$250 for a person who has two or more previous violations if the person provides the
5 court, not later than six months after a judgment of conviction is entered, with proof of
6 completion of

7 (1) an alcohol safety action program or a juvenile alcohol safety action
8 program developed, designated, or approved by the Department of Health and Social
9 Services under AS 47.37; or

10 (2) a community diversion panel.

11 * **Sec. 9.** AS 04.16.050 is repealed and reenacted to read:

12 **Sec. 04.16.050. Possession, control, or consumption by persons under 21**
13 **years of age.** (a) A person under 21 years of age may not knowingly consume,
14 possess, or control alcoholic beverages except those furnished to persons under
15 AS 04.16.051(b).

16 (b) A person under 21 years of age who knowingly consumes, possesses, or
17 controls an alcoholic beverage other than an alcoholic beverage furnished under
18 AS 04.16.051(b) commits the offense of minor consuming or in possession or control.

19 (c) Minor consuming or in possession or control is a violation, punishable by a
20 fine of \$500. The violation must be charged and filed with the court as a separate case
21 and may not be combined or joined with any other minor offense or criminal charge in
22 one action at the time of filing. A court may reduce the fine to \$50 for a person who
23 has not more than one previous violation or to \$250 for a person who has two or more
24 previous violations if the person provides the court, not later than six months after a
25 judgment of conviction is entered, with proof of completion of

26 (1) an alcohol safety action program or a juvenile alcohol safety action
27 program developed, designated, or approved by the Department of Health and Social
28 Services under AS 47.37; or

29 (2) a community diversion panel.

30 * **Sec. 10.** AS 04.21.065(b) is amended to read:

31 (b) The warning signs required by (a) of this section must be at least 11 inches

1 by 14 inches, and the lettering must be at least one-half inch high and in contrasting
2 colors. The first sign must read, "WARNING: Drinking alcoholic beverages such as
3 beer, wine, wine coolers, and distilled spirits or smoking cigarettes during pregnancy
4 can cause birth defects." The second sign must read, "WARNING: A person who
5 provides alcoholic beverages to a person under 21 years of age, if convicted under
6 AS 04.16.051, could be imprisoned for up to five years and fined up to \$50,000." The
7 third sign must read, "WARNING: An unaccompanied [A] person under 21 years of
8 age who enters these premises in violation of law may [COULD], under
9 AS 04.16.049(e), be civilly liable for damages of \$1,500." The license or permit
10 holder shall display the first and second signs in a manner that would make them
11 conspicuous to a person who will be purchasing or consuming alcoholic beverages or
12 smoking cigarettes on the licensed or designated premises and shall conspicuously
13 display the third sign at each door through which customers enter the licensed
14 premises.

15 * **Sec. 11.** AS 04.21 is amended by adding a new section to read:

16 **Sec. 04.21.078. Court records of persons under 21 years of age.** The Alaska
17 Court System may not publish on a publicly available website the court records of a
18 violation of AS 04.16.049 or 04.16.050, or a similar ordinance of a municipality, if the
19 violation was charged separately and was not joined with any other minor offense or
20 criminal charge at the time of filing.

21 * **Sec. 12.** AS 04.21.080(b) is amended by adding a new paragraph to read:

22 (20) "community diversion panel" means a youth court or other group
23 serving as a sentencing option for a person convicted under this section.

24 * **Sec. 13.** AS 12.62.400(a) is amended to read:

25 (a) To obtain a national criminal history record check for determining a
26 person's qualifications for a license, permit, registration, employment, or position, a
27 person shall submit the person's fingerprints to the department with the fee established
28 by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau
29 of Investigation to obtain a national criminal history record check of the person for the
30 purpose of evaluating a person's qualifications for

31 (1) a license or conditional contractor's permit to manufacture, sell,

1 offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage
2 under AS 04.11;

3 (2) licensure as a mortgage lender, a mortgage broker, or a mortgage
4 loan originator under AS 06.60;

5 (3) admission to the Alaska Bar Association under AS 08.08;

6 (4) licensure as a collection agency operator under AS 08.24;

7 (5) a certificate of fitness to handle explosives under AS 08.52;

8 (6) licensure as a massage therapist under AS 08.61;

9 (7) licensure to practice nursing or certification as a nurse aide under
10 AS 08.68;

11 (8) certification as a real estate appraiser under AS 08.87;

12 (9) a position involving supervisory or disciplinary power over a minor
13 or dependent adult for which criminal justice information may be released under
14 AS 12.62.160(b)(9);

15 (10) a teacher certificate under AS 14.20;

16 (11) licensure as a security guard under AS 18.65.400 - 18.65.490;

17 (12) a concealed handgun permit under AS 18.65.700 - 18.65.790;

18 (13) licensure as an insurance producer, managing general agent,
19 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines
20 broker, or independent adjuster under AS 21.27;

21 (14) serving and executing process issued by a court by a person
22 designated under AS 22.20.130;

23 (15) a school bus driver license under AS 28.15.046;

24 (16) licensure as an operator or an instructor for a commercial driver
25 training school under AS 28.17;

26 (17) registration as a broker-dealer, agent, investment adviser
27 representative, or state investment adviser under AS 45.55.030 - 45.55.060;

28 **(18) a registration or license to operate a marijuana establishment**
29 **under AS 17.38.**

30 * **Sec. 14.** AS 17.38.200(a) is amended to read:

31 (a) Each application or renewal application for a registration to operate a

1 marijuana establishment shall be submitted to the board. A renewal application may be
2 submitted up to 90 days **before** [PRIOR TO] the expiration of the marijuana
3 establishment's registration. **When filing an application under this subsection, the**
4 **applicant shall submit the applicant's fingerprints and the fees required by the**
5 **Department of Public Safety under AS 12.62.160 for criminal justice information**
6 **and a national criminal history record check. The board shall forward the**
7 **fingerprints and fees to the Department of Public Safety to obtain a report of**
8 **criminal justice information under AS 12.62 and a national criminal history**
9 **record check under AS 12.62.400.**

10 * **Sec. 15.** AS 21.36.210(a) is amended to read:

11 (a) An insurer may not exercise its right to cancel a policy of personal
12 automobile insurance except for the following reasons:

13 (1) nonpayment of premium; or

14 (2) the driver's license or motor vehicle registration of either the named
15 insured or of an operator who resides in the same household as the named insured or
16 who customarily operates a motor vehicle insured under the policy has been under
17 suspension or revocation during the policy period or, if the policy is a renewal, during
18 its policy period or the 180 days immediately preceding its effective date [; THIS
19 PARAGRAPH DOES NOT APPLY TO REVOCATION AS DESCRIBED UNDER
20 AS 21.96.027].

21 * **Sec. 16.** AS 28.15.057(a) is amended to read:

22 (a) Except as provided under AS 28.15.051, a person who is at least 16 years
23 of age but not yet 18 years of age may not be issued a driver's license unless the
24 person has

25 (1) been licensed under an instruction permit issued under
26 AS 28.15.051 or under the law of another state with substantially similar requirements
27 for at least six months;

28 (2) held a valid provisional driver's license issued under AS 28.15.055
29 for at least six months; and

30 (3) not been convicted of violating a traffic law [, OR BEEN
31 CONVICTED OF VIOLATING AS 04.16.050(c),] during the six months before

1 applying for a driver's license; in this paragraph, "traffic law" has the meaning given to
2 "traffic laws" in AS 28.15.261.

3 * **Sec. 17.** AS 28.15.191(a) is amended to read:

4 (a) A court that convicts a person of an offense under this title or a regulation
5 adopted under this title, or another law or regulation of this state or a municipal
6 ordinance that regulates the driving of vehicles [, OR A VIOLATION OF
7 AS 04.16.050] shall forward a record of the conviction to the department within five
8 working days. A conviction of a standing or parking offense need not be reported.

9 * **Sec. 18.** AS 28.15.211(g) is amended to read:

10 (g) Except as provided under AS 28.15.183(h), the department may not issue a
11 new license or reissue a license to a person whose driver's license has been revoked
12 under [AS 04.16.050,] AS 28.15.183 [,] or 28.15.185 unless the person, if required to
13 participate in a juvenile alcohol safety action program, has successfully completed any
14 education or treatment recommended. In this subsection, "juvenile alcohol safety
15 action program" has the meaning given in AS 04.21.080.

16 * **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to
17 read:

18 DIRECT COURT RULE AMENDMENT. Rule 17(a), Alaska Rules of Minor
19 Offense Procedure, is amended to read:

20 (a) **Except as provided in subsection (g), a** [A] prosecutor may join a minor
21 offense with a related criminal offense under the circumstances described in Criminal
22 Rule 8(a).

23 * **Sec. 20.** The uncodified law of the State of Alaska is amended by adding a new section to
24 read:

25 DIRECT COURT RULE AMENDMENT. Rule 17, Alaska Rules of Minor
26 Offense Procedure, is amended by adding a new subsection to read:

27 (g) A prosecutor may not join a minor offense for a violation of AS 04.16.049
28 or 04.16.050 with a related criminal offense.

29 * **Sec. 21.** AS 21.96.027; AS 28.15.176(1), 28.15.181(h), 28.15.185(e); AS 47.12.030(b)(5),
30 47.12.060(b)(4), and 47.12.120(k) are repealed.

31 * **Sec. 22.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 APPLICABILITY. AS 04.16.049(a) - (d), as amended by secs. 4 - 7 of this Act,
3 AS 04.16.049(g) - (i), added by sec. 8 of this Act, AS 04.16.050, as repealed and reenacted by
4 sec. 9 of this Act, and AS 04.21.080(b)(20), added by sec. 12 of this Act, apply to offenses
5 committed on or after the effective date of this Act.

6 * **Sec. 23.** The uncodified law of the State of Alaska is amended by adding a new section to
7 read:

8 TRANSITION. A person who is a member of the Alcoholic Beverage Control Board
9 on the day before the effective date of this Act continues to serve until the expiration of the
10 member's term. The governor shall take the requirements of AS 04.06.020, as repealed and
11 reenacted by sec. 1 of this Act, into account in making new appointments.



ALASKA STATE LEGISLATURE HOUSE LABOR & COMMERCE COMMITTEE

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Rep. Cathy Tilton
Rep. Andrew Josephson
Rep. Sam Kito III

Summary of Changes SB 165 ver H.A to HCS CSSB 165 ver E

Page 5, line 3: Following "\$50"

Insert: "for a person who has not more than one previous violation or to \$250 for a person who has two or more previous violations"

Page 5, line 22: Following "\$50"

Insert: "for a person who has not more than one previous violation or to \$250 for a person who has two or more previous violations"

SENATOR PETER A. MICCICHE

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SB 165 - Summary of Changes vers. A to vers. H.A

Sec. 1 – 04.06.020 subsection (b), stylistic draft change, adding of the board after *member*; change the designation of one (1) board member seat from *public health* to *the general public*, and requires the *general public member* to not be affiliated with the public safety sector or the public health sector. Removed subsection (c) relating to the Executive Director’s experience affecting the makeup of the ABC Board; and makes another stylistic drafting change in subsection (d) adding of the board after *member*.

DISTRICT Q

Bear Creek

Cooper Landing

Crown Point

Funny River

Hope

Kalifornsky

Kenai

Lowell Point

Mackey Lake

Moose Pass

Nikiski

Primrose

Ridgeway

Salamatof

Seward

Soldotna

Sterling

Sec. 8 – Amended 04.16.049(i) adding a reference to “community diversion panel” making clear that Youth Courts and Tribal Circles are among the options available to youth for alcohol education and treatment. Clarifies that the alcohol safety action program and the juvenile alcohol safety action program are treatment options developed and approved by Dept. of Health and Social Services under AS 47.37, whereas community diversion panels are youth courts or other groups that serve as sentencing options for Under 21 alcohol violations.

Sec. 9 – Amended 04.16.050 making stylistic language change from *under the age of 21* to *under 21 years of age*; and amends 04.16.050(c) adding a reference to “community diversion panel” making clear that Youth Courts and Tribal Circles are among the options available to youth for alcohol education and treatment. Clarifies that the alcohol safety action program and the juvenile alcohol safety action program are treatment options developed and approved by Dept. of Health and Social Services under AS 47.37, whereas community diversion panels are youth courts or other groups that serve as sentencing options for Under 21 alcohol violations.

Sec. 10 – Deleted Section 10 in Version A which inadvertently limited court discretion in requiring a youth to enroll in a juvenile alcohol safety action program; rennumbers former Section 11 as Section 10.

Sec. 11 – Amended Sec. 04.21.078 *Court records of persons under 21 years of age*, adding the terms or a similar ordinance of a municipality making it clear that the goal is to keep simple status offenses of alcohol possession and minor consuming off of Courtview, whether they are cited under state law, or municipal ordinance.

Sec. 12 – Amended 04.21.080(b) *Definitions*, adding a definition of “community diversion panel” to mean *a youth court or other group serving as a sentencing option for a person convicted under this section.*

Sec. 13 - New section amending AS 12.62.400(a) authorizing Department of Public Safety to obtain a criminal history record check of a person applying for a license to operate a marijuana establishment, as is currently required for alcohol beverage licensees.

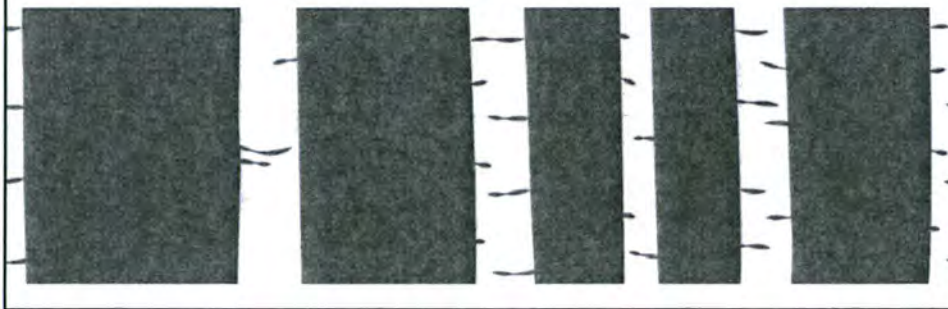
Sec. 14 - New section amending 17.38.200(a) requiring applicants for registration to operate marijuana establishments to submit to a criminal history record check.

Sec. 20 – Amended the Applicability section to reflect the changes in Version W.

Alaska Alcoholic Beverage Control (ABC) Board

TITLE 4 REVIEW PROCESS AND
OVERVIEW OF SB 165

April 13, 2016



Title 4 Review: Our Funding Partners

The following organizations have provided ongoing grant funding to support the Title 4 Review project:



What is Title 4? Why is it important?

- Title 4 of the Alaska Statutes regulates alcoholic beverages.
- The Alcoholic Beverage Control Board, staff and law enforcement carry out the laws.



Photo: Anchorage Daily News

Alaska Alcoholic Beverage Control (ABC) Board

Mission Statement



"The board shall control the manufacture, barter, possession, and sale of alcoholic beverages in the state. The board is vested with the powers, duties and responsibilities necessary for the control of alcoholic beverages..."

AS 04.06.090(a)

So, Why review Title 4?

- Most of Title 4 has not been updated since 1980. The laws are outdated and confusing.
- Many existing laws do not reflect current trends or values.
- A systematic review of Title 4 helps the Board carry out its mission and will benefit communities and businesses.



Goals of Title 4 Review Process

- Promote a fair business climate and protect public health and safety.



Photo: Anchorage Daily News

- Create rational regulation for all tiers of the state's alcohol industry.
- Limit youth access to alcohol, while ensuring youth are not criminalized
- Promote responsible alcohol use and reduce the harms of overconsumption.

Goals of Title 4 Review Process

- Make Title 4 a clear and consistent legal framework.
 - Increase swiftness, proportionality and consistency of penalties.
 - Increase local law enforcement of Title 4.
 - Increase licensee accountability before the ABC Board for Title 4 violations.



Photo: Anchorage Daily News

Stakeholders



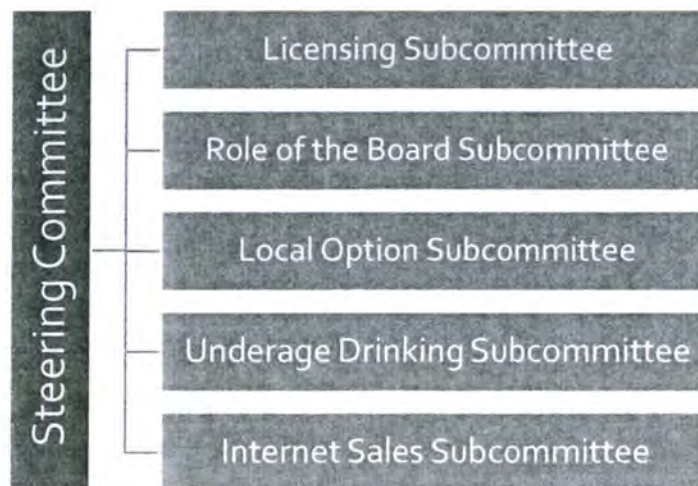
- ABC Board
- Public Safety and Law Enforcement
- Industry
 - Wholesalers
 - Manufacturers
 - Retailers
- Public Health
 - Department of Health and Social Services
 - Alaska Mental Health Trust Authority
 - Rasmuson Foundation
- Community Advocates
- Local Governments

Icons by www.flaticon.com

Steering Committee

Committee Member	Organization	Sector
Bob Klein <i>chair</i>	ABC Board (Chair)	Industry Board Member
Cynthia Franklin	ABC Board (Staff)	ABC Board Director/ Public Safety
L. Diane Casto	Alaska Department of Corrections, <i>formerly Division of Behavioral Health</i>	Public Health/Public Safety
Ellen Ganley	ABC Board (Member)	Public Board Member/Public Health
Jeff Jessee	Alaska Mental Health Trust Authority, Recover Alaska	Funding Partner/ Public Health
Aleesha Towns-Bain	Rasmuson Foundation, Recover Alaska	Funding Partner
Jan Hill	Mayor, Haines Borough	Local Government
Chris Simon, <i>resigned</i>	<i>formerly Alaska Department of Education & Early Development</i>	Education/Rural

Title 4 Review Process: Committees



Title 4 Review Process

MAY 2012

2016



More than 70 stakeholders and staff spent over 8,000 hours of dedicated time to craft recommendations and develop the current bill.

Icons by www.flaticon.com

Title 4 Revisions: Interim Deep-Dive in 2015

Let's get everyone up to speed on activities over the interim

Title 4 Revisions: Interim Deep-Dive in 2015

- **Spring 2015:** Industry stakeholders volunteered to review the comprehensive bill to ensure it reflected consensus.
- **Summer and Fall 2015:** Alaska CHARR's Government Affairs Committee worked to flag language in the comprehensive bill that may benefit from refinement.
- **December 2015:** The Steering Committee recommended a new, two-track process for Title 4 rewrite, with a streamlined new bill

Title 4 Revisions: 2016 and Beyond

A new, two-track process for Title 4 Revisions:



1. Streamline certain elements of SB99 into a new bill with priority items that can be implemented now
2. Further refinement of the comprehensive package and introduction as a new bill next session

Title 4 Revisions: 2016 and Beyond

Strategic reasons for this midcourse adjustment:

- This session will be very busy with budget issues
- The priorities in this bill could be implemented now and begin to benefit young Alaskans
- Holding the comprehensive package gives additional time for the Steering Committee to:
 - Re-engage with stakeholders and the five subcommittees on many important items
 - Continue to work with private sector business interests to refine bill language

Stakeholder work continues in the following areas:

- Licensing & Permits
- Local Option
- Role of the ABC Board
- Underage Drinking
- Internet Sales

The remaining recommendations produced by these five committees are important subjects, and are still part of the comprehensive package.

SB 99 & HB 185 will be retired. This year's focus is SB 165.

The comprehensive package will benefit from additional work over the 2016 interim.

Title 4 Revisions: SB 165

The new Senate bill focuses on some discrete recommendations that have consensus and can be implemented this year:

1. ABC Board Composition and Qualifications (04.06.020)
2. Minor on Licensed Premises (04.16.049)
3. Minor Consuming Alcohol (MCA) (04.16.050)

Composition of the ABC Board

ABC Board Composition and Qualifications (AS 04.06.020)

- Designate all 5 ABC Board seats to ensure consistent representation
- Current composition: 2 industry, 3 public members (including 1 rural member)
- Proposed composition in SB 165: 2 industry, 1 general public member, 1 public safety, 1 rural public member

Underage Drinking and Access to Alcohol

Reform underage drinking sanctions so that **minors do not become criminals for making one poor decision.**

- Restore the minor consuming alcohol (MCA) offense to a true violation.
- Clarify warning signs' language of the legal consequences of a minor on licensed premises.
- Minors' violations of these two offenses (or equivalent local laws) will never appear on CourtView.

Underage Drinking and Access to Alcohol

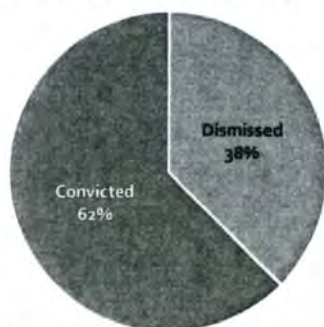
- **Minor on Licensed Premises** (04.16.049)
 - Penalty consistent with new MCA penalty
 - Clarify ambiguous language on signage
- **Minor Consuming Alcohol (MCA)** (04.16.050)
 - Reduce the minor consuming alcohol penalty to a true violation; no repeat or habitual MCA
 - Encourage alcohol education or treatment if convicted of Minor on Premises or MCA.

Why reduce penalties for minors?

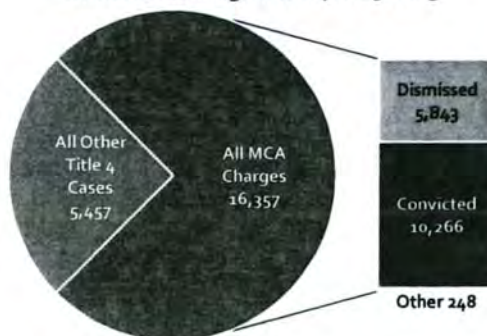
Prosecutors are dismissing MCA charges; penalties are seen as too high for the offense, or not worth the resources.

Much fewer Minor on Premises cases; 47% were dismissed.

All Title 4 Charges, 2009-2013



Minor Consuming Alcohol, 2009-2013



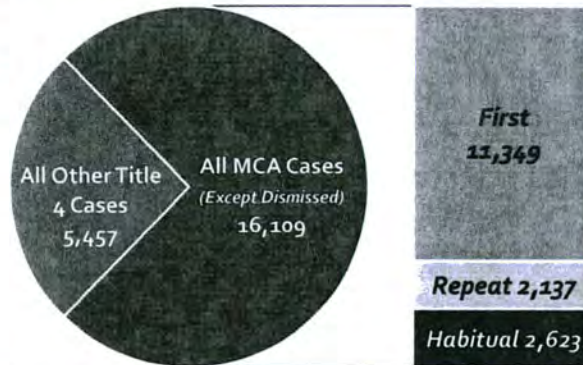
Source Data: Alaska Court System Data, 2009-2013

Why reduce penalties for minors?

Most MCA cases (over 70%) are first offenses: most youth do not return to court for another MCA.

Minor Consuming Alcohol Cases by Offense Type, 2009-2013

35% of First MCA, **One-third** of Repeat MCA, and **42%** of Habitual MCA cases were dismissed.



Source Data: Alaska Court System Data, 2009-2013

Current MCA Penalties (04.16.050)

Offense	Penalty (including mandatory court actions)
First: <i>Statutory Violation</i>	<ul style="list-style-type: none"> • Up to 1 year probation; may receive suspended imposition of sentence (SIS) • Referred to Community Diversion (e.g. Youth Court) for counseling, education, treatment, and community work • \$200 to \$600 Fine; \$200 can be applied to ASAP • Must complete alcohol education program
Repeat (2nd): <i>Statutory Violation</i>	<ul style="list-style-type: none"> • 1 year probation or until age 21, whichever later • \$1,000 fine; \$500 can be suspended if on probation • 48 hours community work service • Revoke & confiscate driver's license for 3 months
Habitual (2+ prev): <i>Misdemeanor B</i>	<ul style="list-style-type: none"> • Arrest and imprisonment • 1 year probation or until age 21, whichever later • 96 hours community work service • Revoke & confiscate driver's license for 6 months

Proposed MCA Penalties (SB 165)

Offense	Penalty (including mandatory court actions)
One Type: TRUE Violation	<ul style="list-style-type: none"> • \$500 fine; if not paid, can be deducted from PFD • Fine reduced to \$50 with proof of alcohol education or community diversion panel completed within 6 mo. • From issuance of ticket to completion of case, never appears on minor's Court View record <p><i>Up to 1 year probation</i></p> <p><i>Referred to Community Diversion (e.g. Youth Court) for counseling, education, treatment, and community work</i></p> <p><i>\$200 to \$600 Fine; \$200 can be applied to education program</i></p> <p><i>Must complete alcohol education program</i></p>
Repeat (2nd): Statutory Violation	<ul style="list-style-type: none"> • <i>1 year probation or until age 21, whichever later</i> • <i>\$1,000 fine; \$500 can be suspended if on probation</i> • <i>48 hours community work service</i> • <i>Revoke & confiscate driver's license for 3 months</i>
Habitual (3+): Misd-B	<ul style="list-style-type: none"> • <i>Arrest and imprisonment</i> • <i>1 year probation or until age 21, whichever later</i> • <i>96 hours community work service</i> • <i>Revoke & confiscate driver's license for 6 months</i>

Needed Reform for Minor on Premises

Current Law (04.16.049)

Class A Misdemeanor

Penalties include:

- Up to **\$10,000** fine
- Up to **1 year** imprisonment
- Up to **10 years** probation
- Community Work Service
- Case appears on Court View record and is **never expunged**, even upon reaching age 21

Proposed (SB 165)

Violation (Minor Offense)

- **\$500 fine**; if not paid, deducted from PFD
- **Fine reduced to \$50** with proof of **alcohol education or community diversion panel** completed within **6 mo.**
- From issuance of ticket to completion of case, **never appears on minor's Court View record**

Please help advance Title 4
Review elements this session
that are included in SB 165.

We will be back next year with
the remaining elements of the
comprehensive package.

For more information

About SB 165:

Office of Sen. Peter Micciche

Chuck Kopp, Chief of Staff
(907) 907-465-2828
chuck.kopp@akleg.gov

About the Title 4 Review Process:

Alcoholic & Marijuana Control Office

<https://www.commerce.alaska.gov/web/amco/>

Cynthia Franklin, Director
(907) 269-0350
cynthia.franklin@alaska.gov

Title 4 Review: 2016 Update

WHAT IS TITLE 4?

Alaska's Title 4 statutes regulate "the manufacture, barter, possession, and sale of alcoholic beverages in the state" [AS 04.06.090(a)]. The Alcoholic Beverage Control Board, staff and state and local officials enforce these laws.

WHY REVIEW TITLE 4?

Much of the chapter has not been updated since 1980. Over time, incremental updates and changing industry trends have reduced the effectiveness of Title 4. A systematic review of the statutes helps the Board carry out its mission and will benefit organizations and individuals whose work, community or business is affected by alcohol laws and regulations.

GOALS OF TITLE 4 REVIEW

Stakeholders established shared goals as the foundation for developing recommendations:

Promote a fair business climate and protect public health and safety.

- Create rational regulation for all tiers of the state's alcohol industry.
- Limit youth access to alcohol.
- Promote responsible alcohol use and reduce the harms of overconsumption.

Make Title 4 a clear and consistent legal framework for the ABC Board, licensees and law enforcement.

- Increase swiftness, proportionality and consistency of penalties.
- Increase local Title 4 law enforcement.
- Increase licensee accountability before the ABC Board for Title 4 violations.

STAKEHOLDER-DRIVEN PROCESS

Since 2012, stakeholders representing the alcohol industry, public health, local government, law enforcement, public safety, education, and community advocacy sectors have dedicated over 8,000 hours to craft recommendations to improve Title 4. This group, working with the Title 4 Review Steering Committee, helped to identify which recommendations may merit further refinement, and which are ready to move forward.



2016 PRIORITY: INTRODUCE SELECT RECOMMENDATIONS IN SB 165

The stakeholder group has identified high-priority recommendations that can have immediate impacts this year:

Composition of the ABC Board [04.06.020]

- Designate ABC Board seats to ensure consistent representation of important sectors.
- Five-member board: 2 industry, 1 public health, 1 public safety, 1 rural public member.

Minor on Licensed Premises [04.16.049] and Minor Consuming Alcohol, MCA [04.16.050]

- Reform underage drinking sanctions so that minors do not become criminals for underage drinking.
- Restored to true violations, with no graduating penalties for subsequent convictions; if convicted, better youth access to education or treatment.
- Violations of 04.16.049 and 04.16.050 would never appear on CourtView and treated separately from other charges.
- Prior conviction of MCA would not prevent youth from obtaining or renewing a driver's license.

NEXT STEPS AND PLAN FOR ACTION

2016: High-priority recommendations in SB 165 and a House companion bill are brought to the Alaska Legislature for consideration to adopt into law. Positive criminal justice reforms could begin benefitting young Alaskans this year.

2016 - 2017: Stakeholders continue to refine the full package of proposed Title 4 revisions. The remaining elements of the comprehensive package could be introduced to the Legislature for consideration in 2017.

To request more information about the Title 4 Review project, contact the Alcoholic Beverage Control Board
Cynthia Franklin, Director . (907) 269-0350 . cynthia.franklin@alaska.gov



First Lady Donna Walker
Honorary Chair

Ginger Balm, *Chair*
Ivy Spohnholz, *Vice Chair*
Lisa Wimmer, *Treasurer*
Melanie Bahnke, *Secretary*
Ramona Reeves, *Past Chair*
Susan Anderson
Elsie Boudreau
Com. Valerie Davidson
Com. Michael Hanley
Carley Lawrence
Sherry Modrow
Tlisa Northcutt
Marcus Wilson
Julie Woodworth



2/15/2016

The Honorable Peter Micciche
Senator
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801

Dear Senator Micciche,

I am writing you to urge your support for Senate Bill 165 (SB165) to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. Alaska Children's Trust (ACT) is the lead statewide organization focused on the prevention of child abuse and neglect.

One of our greatest assets is our children. We know that children who experience abuse, neglect and other traumas are more likely to have poor school performance, abuse substances, and end up incarcerated, among other issues. The majority of Alaska's child abuse and neglect cases involve Alcohol.

The changes to Title 4 in SB165, specifically the changes to Minor Consuming Alcohol (MCA) and Minor on Premises, will have significant benefits for Alaska's youth and for the criminal justice system. These changes would reduce and streamline penalties for Minor on Licensed Premises (AS 04.16.049) and Minor Consuming Alcohol (AS 04.16.050), to promote consistent enforcement of these laws while ensuring that underage youth are not criminalized for one mistake or punished for an underlying trauma. Furthermore, in the last five years, over 75% of Title 4 related charges were MCAs, and the vast majority of youth do not return to court with a second charge.

ACT strongly urges you to support the changes to SB165. These changes would strengthen Alaska's criminal justice system and positively impact Alaskan youth by not cutting them off from resilience factors and treating them with trauma-informed understanding. SB165 is a positive step towards bringing trauma-informed practices to our state.

Sincerely,

Trevor Storrs
Executive Director



February 10, 2016

Senate Labor and Commerce Committee
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801

Dear Honorable Senators:

The Alaska Wellness Coalition works collectively to improve the health and wellness of all Alaskans. The Coalition networks local and regional health and wellness alliances through information sharing of state and local data, evidence-based programming, best practices, strategic prevention, current health trends and statewide advocacy for health promotion.

On behalf of the Alaska Wellness Coalition, I am asking you to support Senate Bill 165 (SB165) to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. This Bill is the first result of a four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4, Alaska's statutes regarding regulation and control of alcoholic beverages in the state.

The proposed revisions are some of the high-priority recommendations to emerge from this stakeholder effort to improve the overall system of alcohol regulation in Alaska. Specifically, the provisions in this bill will:

- Ensure that the Alcoholic Beverage Control Board (AS 04.06.020) fairly represents the interests of all Alaskans by designating seats for public safety and public health, and retaining designated seats for industry representatives and a rural member;
- Reduce and streamline penalties for Minor on Licensed Premises (AS 04.16.049) and Minor Consuming Alcohol (AS 04.16.050), to promote consistent enforcement of these laws while ensuring that underage youth are not criminalized for one mistake;
- Provide an incentive, through a fine reduction from \$500 to \$50, for a young person convicted of either of these offenses to attend an alcohol education program; and
- Prevent any information about a young person's charge or conviction of either offense from being published on CourtView, which otherwise follows that person into adulthood.

Changes to Minor Consuming Alcohol (MCA) and Minor on Premises will have significant benefits for Alaska's youth and for the criminal justice system: in the last five years, over 75% of Title 4 related charges were MCAs, and the vast majority of youth do not return to court with a second charge. I urge you to support the significant multi-year effort of this statewide stakeholder group, and specifically the priority items brought forward for consideration this year, by voting in support of SB 165 and making these important changes to Title 4.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie L. Allen".

Stephanie L. Allen
Coalition Director

Chuck Kopp

From: Dale Fox <dfox@alaskacharr.com>
Sent: Friday, April 08, 2016 9:26 AM
To: Sen. Peter Micciche
Subject: Alaska CHARR supports SB 165

Dear Senator:

I am pleased to inform you that a compromise was reached this week on the composition of the ABC Board which I understand will be amended on the Senate floor. Alaska CHARR is now very supportive of SB 165.

I would like to thank the many Senators who worked with us to ensure the ABC board was not stacked against the hospitality industry. Many thanks to leadership and Senator Micciche for their efforts to seek a compromise so this bill could move forward.

Alaska CHARR would appreciate your vote in favor of SB 165.

Dale Fox

President & CEO

Alaska CHARR

1503 W 31st Ave Ste 202

Anchorage, AK 99503

907-274-8133 or Toll Free in Alaska 800-478-2427

www.alaskacharr.com



The President & CEO'S
office is sponsored by:



Trust

Alaska Mental Health
Trust Authority

3745 Community Park Loop, Suite 200
Anchorage, AK 99508
Tel 907.269.7960
www.mhtrust.org

Friday, March 25, 2016

Senate Judiciary Committee

Sen. Lesil McGuire, *chair*
Sen. John Coghill, *vice chair*
Sen. Mia Costello, *member*
Sen. Peter Micciche, *member*
Sen. Bill Wielechowski, *member*

The Honorable Lesil McGuire
Alaska State Legislature
State Capitol Room 121
Juneau, AK 99801

Dear Senate Judiciary Committee members:

Thank you very much for the Committee's consideration of Senate Bill 165, to be heard on Monday, March 28. In addition to the presentation we will provide at that time, we wanted to offer clarity regarding a topic that came up during public testimony about Senate Bill 165 during the Senate Labor and Commerce Committee meeting on Tuesday, February 23. We wish to inform the members of this committee of this important aspect of the bill and how it came about, and we would be happy to answer any further questions during Monday's hearing.

As co-chairs of the Title 4 Review Steering Committee, we have been involved in this process from its beginning in 2012. The proposed change to composition of the ABC Board was the result of a two-year negotiation within the Title 4 Review stakeholder process, and ultimately put forward in the package as one of many recommendations that had consensus. Initially, the public health and public safety partners had proposed to increase the board to seven members, with two designated seats for public health and public safety, in addition to the existing two industry members, two public members, and one public rural member. We were locked on this issue for many months. The compromise between industry, public health and public safety perspectives was negotiated by the two of us, in Mr. Klein's role as CHARR board member and chair of CHARR's Government Affairs Committee, and Mr. Jessee as a staunch public health advocate. The resulting language in the bill represents a compromise reached in 2014, which was further refined in Senate Labor and Commerce, and remains a key policy change in Title 4 to ensure the ABC Board brings a consistent and balanced approach to alcohol regulation in Alaska.

We feel strongly that SB 165 should move forward with the provision to change 04.06.020 Board Composition included, because:

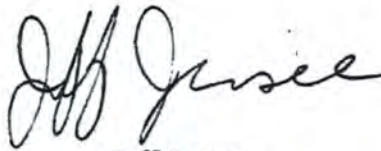
- The items in SB 165 have already achieved consensus with the stakeholder group, and represent just the first step in a comprehensive package of changes to Title 4 that as a whole will result in a better system of alcohol regulation for all Alaskans. The changes to ABC Board composition and underage drinking penalties are simply too important to wait for another session.
- The items in SB 165 can also be implemented now, without impacting the remainder of proposed changes to Title 4, which we continue to refine and still intend to bring forward as a comprehensive package next year.
- The discussions had during our process and the resulting proposed change to the Alcoholic Beverage Control Board helped to shape the newly-formed Marijuana Control Board. Updating Title 4 will help both of these boards work in parallel with the state's Alcohol and Marijuana Control Office.

Thank you again for your consideration of Senate Bill 165, and we look forward to Monday's committee hearing.

Sincerely,



Bob Klein
Co-chair
Title 4 Review Steering Committee



Jeff Jessee
Co-chair



**MAT-SU HEALTH
FOUNDATION**

950 East Bogard Road, Suite 218 • Wasilla, AK 99654
Phone: (907) 352-2863 • Fax (907) 352-2865
www.matsuhealthfoundation.org

February 10, 2016

Senator Peter Micciche
145 Main St. Loop, Suite 226
Kenai, AK. 99611
Sent via email: Sen.Peter.Micciche@akleg.gov

Dear Senator Micciche,

On behalf of the Mat-Su Health Foundation, thank you for introducing Senate Bill 165 to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. The changes the bill will make to Alaska Law can positively impact what is undeniably one of the largest health problems facing our state – alcohol abuse.

We support SB 165 because it ensures that the Alcohol Beverage Control Board fairly represents the interests of all Alaskans by designating seats for public safety and public health, and retaining seats for industry representatives and rural Alaskans. SB165 also revises laws related to underage drinking, which serves to promote consistent enforcement while also giving young people who do make the mistake of underage drinking an incentive to complete an alcohol education program.

A number of health care issues, and their corresponding costs, are associated with alcohol abuse. There were 41,000 days of hospital care attributed to alcohol-related incidents in Alaska in 2010, with an estimated cost of \$2,545 per day for care. Alcohol is the third leading root cause of preventable death in the United States, and Alaska's mortality rates for alcohol are among the highest in the nation (Pezzolesi, 2009; Alaska Department of Health and Social Services, n.d.). From 2007 to 2009, the Mat-Su chronic liver death rate was 7.4 per 100,000 persons, and the poisoning death rate was 20 per 100,000. In total, according to a State of Alaska analysis, between the years 2005 and 2009, the alcohol-induced death rate for the borough was 11.8 deaths per 100,000, or roughly 11 alcohol-induced deaths per year.

The Mat-Su Health Foundation is a partner in Recover Alaska, which has been involved in a four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4. SB165 is a strong first step in allowing this to happen. Thank you for supporting this multi-year effort of the statewide stakeholder group, and specifically the priority items brought forward for consideration this year.

Sincerely,

Elizabeth Ripley
Executive Director

Cc: Senator Mia Costello (Mia Costello (Senator.Mia.Costello@akleg.gov)
Cynthia Franklin, Director, Alcoholic & Marijuana Control Office (cynthia.franklin@alaska.gov)
Bob Klein, Chair, ABC Board (bobkleinak@gmail.com)

"Improving the health and wellness of Alaskans living in the Mat-Su!"

3760 Piper Street
P.O. Box 196604
Anchorage, AK 99508
t: (907) 562.2211
www.providence.org/alaska



February 16, 2016

The Honorable Peter Micciche
Senator
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801

Dear Senator Micciche:

On behalf of Providence Health & Services Alaska, I wish to convey the organization's endorsement of Senate Bill 165 (SB165). One of the major factors of demand for health care and its related costs is alcohol abuse in Alaska. Efforts to contain its adverse impacts will benefit Alaskans in countless ways.

Thank you for introducing SB165 to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. Recover Alaska has been involved with the four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4. Your support is greatly appreciated.

The proposed revisions are some of the high-priority recommendations to emerge from this stakeholder effort to improve the overall system of alcohol regulation in Alaska, which will:

- Ensure that the Alcoholic Beverage Control Board (AS 04.06.020) fairly represents the interests of all Alaskans by designating seats for public safety and public health, and retaining designated seats for industry representatives and a rural member;
- Reduce and streamline penalties for Minor on Licensed Premises (AS 04.16.049) and Minor Consuming Alcohol (AS 04.16.050), to promote consistent enforcement of these laws while ensuring that underage youth are not criminalized for one mistake;
- Provide an incentive, through a fine reduction from \$500 to \$50, for a young person convicted of either of these offenses to attend an alcohol education program; and
- Prevent any information about a young person's charge or conviction of either offense from being published on CourtView, which otherwise follows that person into adulthood.

Changes to Minor Consuming Alcohol (MCA) and Minor on Premises will have significant benefits for Alaska's youth and for the criminal justice system: in the last five years, over 75% of Title 4 related charges were MCAs, and the vast majority of youth do not return to court with a second charge. Thank you for supporting this multi-year effort of the statewide stakeholder group, and specifically the priority items brought forward for consideration this year.

Sincerely,

A handwritten signature in black ink that reads "Bruce Lamoureux".

Bruce Lamoureux
Chief Executive Officer

CC: Senator Mia Costello
Cynthia Franklin, Director, Alcoholic & Marijuana Control Office
Bob Klein, Chair, ABC Board



February 22, 2016

301 W. Northern Lights Blvd.
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Anchorage, AK 99503

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rasmusonfdn@rasmuson.org *email*
www.rasmuson.org

The Honorable Peter Micciche
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801

Dear Senator Micciche:

I offer Rasmuson Foundation's unqualified endorsement and support for Senate Bill 165, the Title 4 rewrite of state statutes related to ABC Board composition and Minor Consuming.

Rasmuson Foundation has for years invested in programs and facilities that offer sanctuary to victims of domestic violence and sexual assault, child abuse and neglect, to the homeless and the hopeless. Recently, we have turned our attention "upstream" to identify and address root causes of social problems. The overconsumption of alcohol has an irrefutably high correlation with many of the state's most difficult issues. Title 4 review and rewrite is one of the key strategies of this important upstream work, and Senate Bill 165 is an important first step in addressing and updating our state's outdated, confusing or otherwise ineffective alcohol laws.

Senate Bill 165 is the product of a four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4, Alaska's statutes regarding regulation and control of alcoholic beverages in the state.

As the ABC Board enters the fifth year of its Title 4 review process, stakeholders have identified several areas that currently benefit from broad support and can have immediate impacts this year. The changes recommended in SB165 are supported by the ABC Board and have been vetted by dozens of industry, public health and public safety representatives. We urge the legislature to move forward with:

- 1) Changes to the ABC Board Composition to increase representation from public health and public safety; and,

BOARD of
DIRECTORS

Edward B. Rasmuson
Chairman

Jeff Cook

Laura Emerson

Adam Gibbons

Jay Gibbons

Lile R. Gibbons

Matt Hirschfeld

Linda Leary

Jason Metrokin

Kris Norosz

Cathryn Rasmuson

Judy Rasmuson

Aaron Schutt

Natasha von Imhof

PRESIDENT
Diane Kaplan

- 2) Rework the Minor Consuming statutes to restore offenses to true violations in 2016.

As you know, finding consensus across the board is often a challenge. To that end, there are several other areas within Title 4 that can benefit from additional review and refinement. We remain committed to finding broad consensus among stakeholders regarding licensing, internet sales and local option. The Title 4 Review Steering Committee plans to bring forward recommendations in these additional areas in time for consideration in 2017. In the meantime, I hope all members of the 29th Alaska State Legislature will support this pair of discrete recommendations, which are products of a significant multi-year effort.

Thank you again for your sponsorship of SB165. I respectfully request expeditious review and approval of this critically important and timely legislation this session. I am available to answer any questions raised by your colleagues in the Alaska State Legislature.

Regards,



Diane Kaplan
President & CEO

Cc: Sen. Kevin Meyer, President, Alaska State Senate
Sen. Mia Costello, Chair, Senate Labor & Commerce
Committee
Sen. Lesil McGuire, Chair, Senate Judiciary Committee
Mr. Bob Klein, Chair, ABC Board

February 10, 2016

The Honorable Peter Micciche
Senator
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801



Dear Senator Micciche:

Recover Alaska is a multi-sector action group working to reduce the harm caused by excessive alcohol consumption in Alaska. Our vision is to recover, reclaim, and restore the strengths of Alaska's families and communities. Partners include Rasmuson Foundation, The Alaska Mental Health Trust Authority, Mt-Su Health Foundation, Providence Alaska, Southcentral Foundation, and the State of Alaska's Department of Health and Social Services.

Thank you for introducing Senate Bill 165 (SB165) to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. Recover Alaska has been involved with the four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4. Your support is greatly appreciated.

The proposed revisions are some of the high-priority recommendations to emerge from this stakeholder effort to improve the overall system of alcohol regulation in Alaska, which will:

- Ensure that the Alcoholic Beverage Control Board (AS 04.06.020) fairly represents the interests of all Alaskans by designating seats for public safety and public health, and retaining designated seats for industry representatives and a rural member;
- Reduce and streamline penalties for Minor on Licensed Premises (AS 04.16.049) and Minor Consuming Alcohol (AS 04.16.050), to promote consistent enforcement of these laws while ensuring that underage youth are not criminalized for one mistake;
- Provide an incentive, through a fine reduction from \$500 to \$50, for a young person convicted of either of these offenses to attend an alcohol education program; and
- Prevent any information about a young person's charge or conviction of either offense from being published on CourtView, which otherwise follows that person into adulthood.

Changes to Minor Consuming Alcohol (MCA) and Minor on Premises will have significant benefits for Alaska's youth and for the criminal justice system: in the last five years, over 75% of Title 4 related charges were MCAs, and the vast majority of youth do not return to court with a second charge. Thank you for supporting this multi-year effort of the statewide stakeholder group, and specifically the priority items brought forward for consideration this year.

Sincerely,

A handwritten signature in black ink, appearing to read "Tiffany Hall".

Tiffany Hall
Executive Director
Recover Alaska
3201 C St. Suite 110
Anchorage, AK 99503

Cc (via email):

Senator Mia Costello (Mia Costello (Senator.Mia.Costello@akleg.gov))
Cynthia Franklin, Director, Alcohol & Marijuana Control Office (cynthia.franklin@alaska.gov)
Bob Klein, Chair, ABC Board (hobklein@gmail.com)

3/8/2016

The Honorable Peter Micciche
Senator
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801



Dear Senator Micciche:

I am a member of the Seward Prevention Coalition working to reduce underage drinking and drug use in our community. I am also the Director of Seward Parks & Recreation for the City of Seward, but I am writing this personally.

I am asking you to support Senate Bill 165 (SB165) to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. This Bill is the first product of a four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4, Alaska's statutes regarding regulation and control of alcoholic beverages in the state.

The proposed revisions are some of the high-priority recommendations to emerge from this stakeholder effort to improve the overall system of alcohol regulation in Alaska. Specifically, the provisions in this bill will:

- Ensure that the Alcoholic Beverage Control Board (AS 04.06.020) fairly represents the interests of all Alaskans by designating seats for public safety and public health, and retaining designated seats for industry representatives and a rural member;
- Reduce and streamline penalties for Minor on Licensed Premises (AS 04.16.049) and Minor Consuming Alcohol (AS 04.16.050), to promote consistent enforcement of these laws while ensuring that underage youth are not criminalized for one mistake;
- Provide an incentive, through a fine reduction from \$500 to \$50, for a young person convicted of either of these offenses to attend an alcohol education program; and
- Prevent any information about a young person's charge or conviction of either offense from being published on CourtView, which otherwise follows that person into adulthood.

Changes to Minor Consuming Alcohol (MCA) and Minor on Premises will have significant benefits for Alaska's youth and for the criminal justice system: in the last five years, over 75% of Title 4 related charges were MCAs, and the vast majority of youth do not return to court with a second charge. I urge you to support the significant multi-year effort of this statewide stakeholder group, and specifically the priority items brought forward for consideration this year, by voting in support of SB 165 and making these important changes to Title 4.

Thank you for tackling this important leadership. Please keep our voices in mind as the SB moves through the various committees. Please alert us when significant changes are proposed, so we can unite to maintain the integrity of these revisions.

Sincerely,
Karin Sturdy, Member, Seward Prevention Coalition

3/8/2016

The Honorable Peter Micciche
Senator
Alaska State Legislature
State Capitol Room 514
Juneau, Alaska 99801



Dear Senator Micciche:

I am a member of the Seward Prevention Coalition working to reduce underage drinking and drug use in our community.

I am asking you to support Senate Bill 165 (SB165) to revise portions of Title 4, the Alaska Statutes regulating alcoholic beverages. This Bill is the first product of a four-year process initiated by the Alcoholic Beverage Control (ABC) Board to engage a diverse group of more than 70 stakeholders to determine how to improve the structure, organization, specific policies and associated implementation issues in Title 4, Alaska's statutes regarding regulation and control of alcoholic beverages in the state.

The proposed revisions are some of the high-priority recommendations to emerge from this stakeholder effort to to improve the overall system of alcohol regulation in Alaska. Specifically, the provisions in this bill will:

- Ensure that the Alcoholic Beverage Control Board (AS 04.06.020) fairly represents the interests of all Alaskans by designating seats for public safety and public health, and retaining designated seats for industry representatives and a rural member;
- Reduce and streamline penalties for Minor on Licensed Premises (AS 04.16.049) and Minor Consuming Alcohol (AS 04.16.050), to promote consistent enforcement of these laws while ensuring that underage youth are not criminalized for one mistake;
- Provide an incentive, through a fine reduction from \$500 to \$50, for a young person convicted of either of these offenses to attend an alcohol education program; and
- Prevent any information about a young person's charge or conviction of either offense from being published on CourtView, which otherwise follows that person into adulthood.

Changes to Minor Consuming Alcohol (MCA) and Minor on Premises will have significant benefits for Alaska's youth and for the criminal justice system: in the last five years, over 75% of Title 4 related charges were MCAs, and the vast majority of youth do not return to court with a second charge. I urge you to support the significant multi-year effort of this statewide stakeholder group, and specifically the priority items brought forward for consideration this year, by voting in support of SB 165 and making these important changes to Title 4.

Sincerely,

Stephanie Presley, Member
Seward Prevention Coalition

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSSB 165(JUD)
Fiscal Note Number:	2
(S) Publish Date:	4/1/2016

Identifier: SB165CS(L&C)-DCCED-AMCO-03-18-16
 Title: ALCO. BEV. CONT. BOARD; MINORS; ALCOHOL
 Sponsor: MICCICHE
 Requester: (S) Judiciary

Department: Department of Commerce, Community and
Economic Development
 Appropriation: Alcohol and Marijuana Control Office
 Allocation: Alcohol and Marijuana Control Office
 OMB Component Number: 3119

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates					
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues								
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? YES
 If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/17

Why this fiscal note differs from previous version:

Updated to reflect new committee substitute information and committee of referral.
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Prepared By: Cynthia Franklin, Director	Phone: (907)269-0351
Division: Alcohol and Marijuana Control Office	Date: 03/18/2016 09:00 AM
Approved By: Catherine Reardon, Director	Date: 03/18/16
Agency: Division of Administrative Services, DCCED	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

Analysis

This legislation makes several changes to Title 4, the alcohol statutes, and modifies the composition of the Alcoholic Beverage Control Board by requiring representatives of public health and public safety. This bill may require some changes to regulations, but those will be bundled with existing regulations projects. The Alcohol and Marijuana Control Office does not anticipate fiscal impact from this legislation.

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSSB 165(JUD)
Fiscal Note Number:	3
(S) Publish Date:	4/1/2016

Identifier: SB165CS(LC)-DHSS-PS-3-18-16
 Title: ALCO. BEV. CONT. BOARD; MINORS; ALCOHOL
 Sponsor: MICCICHE
 Requester: S JUD

Department: Department of Health and Social Services
 Appropriation: Juvenile Justice
 Allocation: Probation Services
 OMB Component Number: 2134

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES	FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no
 If yes, by what date are the regulations to be adopted, amended or repealed? n/a

Why this fiscal note differs from previous version:

No fiscal impact to changes in CS.

Prepared By:	Rob Wood, Director	Phone:	(907)465-2112
Division:	Juvenile Justice	Date:	03/18/2016 12:00 AM
Approved By:	Sana Efird, Asst. Commissioner, Finance and Management Services	Date:	03/18/16
Agency:	Health and Social Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION**Analysis**

This bill replaces existing Minor Consuming Alcohol (MCA) provisions with a \$500 fine and a mandatory court appearance. Minors can have the fine reduced to \$50 if they complete an alcohol safety action program or community diversion panel, such as Youth Court.

The bill eliminates the crime of Habitual Minor Consuming Alcohol (HMCA) in AS 4.16.050(d). Juveniles adjudicated delinquent for HMCA are under the jurisdiction of the Division of Juvenile Justice.

SB 165 will have no fiscal impact on the Division of Juvenile Justice. The division receives very few criminal referrals for habitual minor consuming alcohol in AS 4.16.050(d), so the deletion of this statute in SB 165 will not impact the division's resource needs. The other changes in SB 165 do not impact the division.

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSSB 165(JUD)
Fiscal Note Number:	4
(S) Publish Date:	4/1/2016

Identifier: SB165CS(L&C)-ACS-TRC-3-28-16	Department: Judiciary
Title: ALCO. BEV. CONT. BOARD; MINORS; ALCOHOL	Appropriation: Alaska Court System
Sponsor: MICCICHE	Allocation: Trial Courts
Requester: Senate Judiciary Committee	OMB Component Number: 768

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates					
			FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None								
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time								
Part-time								
Temporary								

Change in Revenues

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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version:

Initial version

Prepared By: Nancy Meade, General Counsel	Phone: (907)463-4736
Division: Alaska Court System	Date: 03/28/2016 10:00 AM
Approved By: Nancy Meade for Christine Johnson, Administrative Director	Date: 03/28/16
Agency: Alaska Court System	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

Analysis

The Committee Substitute (Labor & Commerce) for Senate Bill 165 revises the laws in Title 4 concerning persons under the age of 21 who are not authorized to be on premises where alcohol is sold (section 8) and minors who possess, control, or consume alcoholic beverages (section 9). These offenses would be re-characterized as violations, with a set fine of \$500. After being sentenced, the minor may complete certain alcohol safety programs and thereby have his or her fine reduced to \$50 by the court. Further, SB 165 directs the court not to post the records of minors charged with these offenses on CourtView, if the offense was separately charged (section 11).

This bill will change the ways the court processes "minor consuming" cases, but will not result in a fiscal impact. The court system can readily create a means for excepting these cases from the usual practice of posting cases on CourtView. The court can also process the violations in a regular court hearing, and can track the cases appropriately so that a minor may return to court for a fine reduction, as applicable.

The court system therefore submits this zero fiscal note.