

LEG. FINANCE - BILLS 1979 - 1980 1314

SB 237 thru CSSSB 239 am

1314



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

3/23/90
Date

COMMITTEE REPORT
SENATE

FURTHER:

3/13/79

Date: March 14, 1979

Mr. President:

The Committee on FINANCE has had SB 237
relating to business license fees

under consideration and (a majority of the committee) (the committee)
reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

A M E N D M E N T

OFFERED IN THE SENATE:

By: Senate Finance

To: _____ SENATE BILL No. 237

HOUSE BILL No. _____

PAGE: 2

LINE: 17

Place a comma after the word "manufacturing," and delete the remainder of line 17.

Delete line 18 and the words "gawing machines," on line 19.

Introduced: 3/13/79
Referred: Community and
Regional Affairs and Finance

1 IN THE SENATE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2

SENATE BILL NO. 237

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to business license fees; and providing for an effective date."

7

8

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

9

* Section 1. AS 43.70.030(a) is repealed and re-enacted to read:

10

(a) Until December 31, 1979, the license fee for each business is \$25. After December 31, 1979, the license fee for each business is based on the gross receipts of the business for the calendar year preceding the tax year for which the license fee is levied under this section, according to the following schedule:

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gross receipts for preceding	amount of business
------------------------------	--------------------

16

calendar year	license fee
---------------	-------------

17

\$25,000 or less	\$ 30
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18

more than \$25,000 but not exceeding \$100,000	\$ 35
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19

more than \$100,000 but not exceeding \$1,000,000	\$ 75
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20

more than \$1,000,000	\$100
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21

* Sec. 2. AS 43.70.030(d) is amended to read:

22

(d) The license fee levied by (a) of this section must accompany

23

the application for a license under this chapter [THE FEE OF \$25

24

APPLIES TO ALL OF THE PROVISIONS OF THIS SECTION, AND SHALL ACCOMPANY

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THE APPLICATION]. The balance under (b) of this section, if any, is due

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and payable on the last day of the taxpayer's tax year and shall be paid

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before the 15th day of the third month following the end of the tax

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year, except that the time for filing the return may be extended as

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provided in (b) of this section. To enable accurate determination of

1 the balance of the tax due at the end of each year, each person to whom
2 this chapter applies shall keep records, give statements under oath, and
3 make returns which the department requires. Returns are made under
4 penalty of perjury.

5 * Sec. 3. AS 43.70.030 is amended by adding a new subsection to read:

6 (e) For purposes of the business license fee schedule set out in
7 (a) of this section, gross receipts are the gross receipts reported by
8 the business for the preceding tax year under AS 43.20. If the business
9 did not exist or had no gross receipts during the preceding tax year,
10 the business license fee is \$30.

11 * Sec. 4. AS 43.70.110(1) is amended to read:

12 (1) "Business" includes all activities or acts, personal,
13 professional, or corporate, engaged in or caused to be engaged in, or
14 following or engaging in a trade, profession, or business, including
15 receipts from the sale of alcoholic beverages, advertising services,
16 rental of personal or real property, construction, processing, or man-
17 ufacturing, but excluding fisheries business, fishermen, [LIQUOR LICEN-
18 SES,] insurance businesses, mining, and coin-operated amusement and
19 gaming machines calling or vocation, with the object of financial or
20 pecuniary gain, profit or benefit, either direct or indirect, and not
21 exempting subactivities producing marketable commodities or services
22 used or consumed in the main business activity, each of which subactivi-
23 ties shall be considered business. The giving or supplying of services
24 as an employee and the furnishing of property, services, substances, or
25 things, by a person who does not hold himself out as regularly engaging
26 in those transactions, does not constitute business under the meaning of
27 this chapter.

28 * Sec. 5. This Act takes effect on the date that a version of Senate Bill
29 No. 2 (An Act relating to the comprehensive recycling and reduction of litter)

1 becomes effective.

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THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 237
 Title An Act relating to business license fees
 Requested by Senate Finance Committee Date 3/13/79

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Collection & Management
 Budget Request Unit(s) Affected Administrative Services

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	None					

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						
	None					

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill will raise approximately \$668,000 as shown on the attached page.

IV. DATE March 13, 1979 PREPARED BY John R. Messenger
 AGENCY Department of Revenue
 PHONE 465-2300
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Under \$25,000 gross volume (33% of total licenses)
(\$30 license) 10,560 licenses x \$5 = \$52,800

\$25,000 - \$100,000 gross volume (40%)
(\$35 license) 12,800 licenses x \$10 = 128,000

\$100,000 - 1,000,000 gross volume (20%)
(\$75 license) 6,400 licenses x \$50 = 320,000

Over 1,000,000 gross volume (7%)
(\$100 license) 2,240 licenses x \$75 = 168,000
\$668,000

711004 3/21/79

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SB 237
 Title An Act relating to business license fees
 Requested by Senate Finance Committee Date 3/13/79

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Collection & Management
 BRU, Program, or Subprogram(s) Affected Administrative Services
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill will raise approximately \$1,115,500.

IV. DATE March 21, 1979 PREPARED BY John R. Messenger
 AGENCY Department of Revenue
 PHONE 465-2309
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Increased fees:

Commercial Fishermen - 11,500
Permit holders @ \$35 each \$ 402,500.

All other exemptions - gaming machines,
insurance, fish processors, etc = 45,000.

Impact from Sen. Finance amendment
increases revenue by approx. \$ 447,500

Original fiscal note was 668,000
1115500

Mining 9,800
Fish Process 15,675
Liquor 11,200
Insurance 3,750
Gaming 1,750
45,000

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SB 237
 Title An Act relating to business license fees
 Requested by Senate Finance Committee Date 3/13/79

II. FISCAL DETAIL

Agency Affected Department of Revenue
 Program Category Affected Revenue Collection & Management
 BRU, Program, or Subprogram(s) Affected Administrative Services
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
	-0-	-0-	-0-	-0-	-0-	-0-

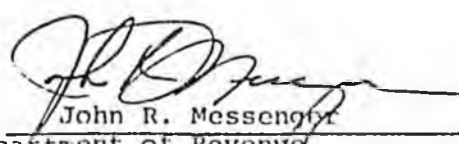
POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill will raise approximately \$1,115,500.

IV. DATE March 21, 1979

PREPARED BY 
 AGENCY Department of Revenue
 PHONE 465-2300

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)



RECORDS CERTIFICATION



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James A. Smith
Signature of Camera Operator

3/23/90
Date

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House CS for CS for Sponsor Substitute for SB 239
 Title "An Act relating to alcoholic beverages; and providing for an effective
 Requested by House Judiciary Committee Date 5-29-80 date."

II. FISCAL DETAIL

Agency Affected Office of the Governor
 Program Category Affected Executive Operations
 BRU, Program, or Subprogram(s) Affected Lt. Governor Office - Elections
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0					

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						
	0					

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME						
PART TIME						
TEMPORARY						
	0					

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

It is impossible to determine how many village local option elections might occur. As the number of elections is unknown, the fiscal impact is 0, however, fiscal impact will occur when elections are conducted.

IV. DATE 5-29-80 PREPARED BY Patty Ann Polley
 AGENCY Division of Elections
 PHONE 586-6181
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

*Section 1. FINDINGS AND INTENT. The legislature finds that the abuse of intoxicating liquor is inflicting very deleterious effects on individuals, families, and the public at large. The legislature intends that the manufacture, distribution, and sale of intoxicating liquor be controlled and regulated under the police power of the state in such a manner as to mitigate the deleterious effects of intoxicating liquor on the health, safety and welfare of the people of the state. The legislature finds, in furtherance of that intention, that the health, safety and welfare of the public will be well served by placing a person on the Alcoholic Beverage Control Board who is trained to recognize the deleterious effect of alcohol in society and who will be in a position to influence the development of a state policy competent to mitigate or neutralize those effects.

Sec. 04.06.020 is amended to read:

APPOINTMENT AND QUALIFICATIONS. The board consists of six (FIVE) members appointed by the governor and confirmed by a majority of the members of the legislature in joint session. A member of the board may not hold any other state or federal office, either elective or appointive. Two members of the board shall be persons actively engaged in the alcoholic beverage industry, except that no member may hold a wholesale license or be an officer, agent, or employee of a wholesale alcoholic beverage enterprise. One member of the board must have training or experience in the epidemiology of alcoholism. No three members of the board may be engaged in the same business, occupation, or profession.

COMMITTEE REPORT

HOUSE

(11)

FURTHER:

5/31/80

Date: 5-31-80

Mr. Speaker: (Taken from Rule: 5/31/80)

The Committee on FINANCE has had CSSSSB 239am

"An Act relating to alcoholic beverages; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for CSSSSB 239 (FINANCE) same title
 new title
- and recommends with amendment and reports it back with individual recommendation
- AND attaches a "Letter of Intent" New Fiscal Note (2) 5/28
18.0
- reports it back without recommendation 5/29
28.5
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Rogers - No Doc

Montgomery - No Doc

CHAIRMAN

AMENDMENT

OFFERED IN THE HOUSE:

By: STRANGE COMMITTEE

To: _____ HOUSE BILL No. _____

HOUSE NO. FOR CS 50 SENATE BILL No. 231

PAGE: 1

LINE: _____

OFFERED BY _____

*Section 1. FINDINGS AND INTENT. The legislature finds that the abuse of intoxicating liquor is inflicting very deleterious effects on individuals, families, and the public at large. The legislature intends that the manufacture, distribution, and sale of intoxicating liquor be controlled and regulated under the police power of the state in such a manner as to mitigate the deleterious effects of intoxicating liquor on the health, safety and welfare of the people of the state. The legislature finds, in furtherance of that intention, that the health, safety and welfare of the public will be well served by placing a person on the Alcoholic Beverage Control Board who is trained to recognize the deleterious effect of alcohol in society and who will be in a position to influence the development of a state policy competent to mitigate or neutralize those effects.

Sec. 04.06.020 is amended to read:

APPOINTMENT AND QUALIFICATIONS. The board consists of six (FIVE) members appointed by the governor and confirmed by a majority of the members of the legislature in joint session. A member of the board may not hold any other state or federal office, either elective or appointive. Two members of the board shall be persons actively engaged in the alcoholic beverage industry, except that no member may hold a wholesale license or be an officer, agent, or employee of a wholesale alcoholic beverage enterprise. One member of the board must have training or experience in the epidemiology of alcoholism. No three members of the board may be engaged in the same business, occupation, or profession.

Original sponsor: Rules Committee (for Title 4
Code Revision Committee)

Offered: 5/28/80
Referred: Rules

1 IN THE SENATE BY THE JUDICIARY COMMITTEE

2 HOUSE CS FOR CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 239

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to alcoholic beverages; and providing
7 for an effective date."

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

9 * Section 1. AS 04 is amended by adding a new chapter to read:

10 CHAPTER 06. ALCOHOLIC BEVERAGE CONTROL BOARD.

11 Sec. 04.06.010. ESTABLISHMENT OF BOARD. The Alcoholic Beverage
12 Control Board is established as a regulatory and quasi-judicial agency.
13 The board is in the Department of Revenue, but for administrative pur-
14 poses only.

15 Sec. 04.06.020. APPOINTMENT AND QUALIFICATIONS. The board con-
16 sists of five members appointed by the governor and confirmed by a
17 majority of the members of the legislature in joint session. A member
18 of the board may not hold any other state or federal office, either
19 elective or appointive. Two members of the board shall be persons
20 actively engaged in the alcoholic beverage industry, except that no
21 member may hold a wholesale license or be an officer, agent, or employee
22 of a wholesale alcoholic beverage enterprise. No three members of the
23 board may be engaged in the same business, occupation, or profession.

24 Sec. 04.06.030. TERMS OF OFFICE. (a) Members of the board shall
25 be appointed for overlapping terms of three years.

26 (b) A vacancy occurring in the membership of the board shall be
27 filled within 30 days by appointment of the governor for the unexpired
28 portion of the vacated term.

29 (c) The board shall select a chairman from among its members.

1 Sec. 04.06.040. PER DIEM AND EXPENSES. Members of the board
2 receive no salary, but are entitled to per diem and travel expenses
3 authorized by law for other boards and commissions.

4 Sec. 04.06.050. MEETINGS. The board shall meet at the call of the
5 chairman. The board shall also meet at least once each year in each
6 judicial district of the state to study this title and to modify exist-
7 ing board regulations in light of statewide and local problems.

8 Sec. 04.06.060. QUORUM AND MAJORITY. Three members of the board
9 constitute a quorum for the conduct of business, except that a majority
10 of the whole membership of the board must approve all applications for
11 new licenses, and all renewals, transfers, suspensions and revocations
12 of existing licences. If a majority of the board is present and voting,
13 the director, with the consent of the members present, may cast a tie-
14 breaking vote.

15 Sec. 04.06.070. APPOINTMENT AND REMOVAL OF DIRECTOR. The governor
16 shall appoint a director to serve as the executive officer of the board.
17 The board may remove the director at its pleasure, and the governor may
18 remove the director for misconduct, misfeasance or malfeasance in office.
19 The governor may not remove the director unless the director is given a
20 copy of the charges against him and afforded an opportunity to be
21 publicly heard, in person or by counsel, in his own defense upon at
22 least 10 days notice. If the director is removed for cause, the governor
23 shall file with the lieutenant governor a complete statement of all
24 charges made against the director and the findings based on the charges,
25 together with a complete record of any hearing.

26 Sec. 04.06.075. AUTHORITY OF DIRECTOR. The director shall enforce
27 this title and regulations adopted by the board.

28 Sec. 04.06.080. DELEGATION OF AUTHORITY. The director shall
29 issue, renew, transfer, suspend, or revoke all licenses and permits at

1 the direction of the board. However, notwithstanding AS 04.11.070, the
2 board may delegate authority to the director to temporarily grant or
3 deny the issuance, renewal, or transfer, of licenses and permits. The
4 director's temporary grant or denial of the issuance, renewal, or trans-
5 fer of a license or permit is not binding on the board. The board may
6 delegate to the director any duty imposed by this title except its power
7 to propose and adopt regulations.

8 Sec. 04.06.090. POWERS AND DUTIES. (a) The board shall control
9 the manufacture, barter, and sale of alcoholic beverages in the state.
10 The board is vested with the powers, duties, and responsibilities neces-
11 sary for the control of alcoholic beverages, including the power to
12 propose and adopt regulations and to hear appeals from actions of the
13 director, and from actions of officers and employees charged with en-
14 forcing the alcoholic beverage control laws and the regulations of the
15 board.

16 (b) The board shall review all applications for licenses made
17 under this title and may order the director to issue, renew, revoke,
18 transfer or suspend licenses and permits authorized under this title.

19 (c) When considering an application, the board may reduce the area
20 to be designated the licensed premises below the area applied for when,
21 in the judgment of the board, a reduction in area is necessary to insure
22 control over the sale and consumption of alcoholic beverages on the
23 premises or is otherwise in the best interests of the public.

24 (d) The board may employ, directly or through contracts with other
25 departments and agencies of the state, enforcement agents and staff it
26 considers necessary to carry out the purposes of this title. The
27 salaries of personnel of the board in the exempt service shall be set by
28 the Department of Administration.

29 (e) The board shall promptly notify all licensees and municipali-

1 ties of major changes to this title and to regulations adopted under
2 this title. However, if changes only affect specific classifications of
3 licenses and permits, the board need only notify those licensees and
4 municipalities directly affected by the changes. Current copies of this
5 title and current copies of the regulations adopted under it shall be
6 made available at all offices of the Department of Revenue and the
7 detachment headquarters and posts maintained by the division of Alaska
8 state troopers, Department of Public Safety, in the state.

9 Sec. 04.06.100. REGULATIONS. (a) The board shall adopt regula-
10 tions governing the manufacture, barter, sale, consumption, and posses-
11 sion of alcoholic beverages in the state which are consistent with this
12 title and necessary to carry out the purpose of this title in a manner
13 that will protect the public health, safety, and welfare. The regula-
14 tions shall be adopted in accordance with the Administrative Procedure
15 Act (AS 44.62).

16 (b) The subjects covered by regulations adopted under (a) of this
17 section may include, but are not limited to, the following matters:

18 (1) employment, conduct, and duties of the director and of
19 regular and contractual employees of the board;

20 (2) procedures for the issuance, denial, renewal, transfer,
21 revocation, and suspension of licenses and permits;

22 (3) terms and conditions of licenses and permits issued;

23 (4) fees for licenses and permits issued for which no fees
24 are prescribed by statute;

25 (5) conduct of regular and special meetings of the board;

26 (6) delegation to the director of routine administrative
27 functions and powers;

28 (7) the temporary granting or denial of issuance, transfer,
29 and renewal of licenses;

1 (8) manner of giving any notice required by law or regulation
2 when not provided for by statute;

3 (9) requirements relating to the qualifications of licensees,
4 the conditions upon which a license may be issued, the accommodations of
5 licensed premises, and board inspection of those premises;

6 (10) making of reports by wholesalers;

7 (11) purchase of fidelity bonds by the state for the director
8 and the employees of the board;

9 (12) prohibition of possession of alcoholic beverages by
10 intoxicated persons and by minors on licensed premises;

11 (13) required reports from corporations licensed under this
12 title, including reports of stock ownership and transfers and changes of
13 officers and directors;

14 (14) creation of classifications of licenses or permits not
15 provided for in this title;

16 (15) establishment and collection of fees to be paid on appli-
17 cation for a license or permit.

18 Sec. 04.06.110. PEACE OFFICER POWERS. The director and the per-
19 sons employed for the administration and enforcement of this title may,
20 with the concurrence of the commissioner of public safety, exercise the
21 powers of peace officers when those powers are specifically granted by
22 the board. Powers granted by the board under this section may be exer-
23 cised only when necessary for the enforcement of the criminally punish-
24 able provisions of this title, regulations of the board, and other
25 criminally punishable laws and regulations governing the manufacture,
26 barter, sale, consumption, and possession of alcoholic beverages in the
27 state.

28 * Sec. 2. AS 04 is amended by adding a new chapter to read:

29 CHAPTER 11. LICENSING.

1 ARTICLE 1. LICENSING AND REPORTING REQUIREMENTS.

2 Sec. 04.11.010. LICENSE OR PERMIT REQUIRED. (a) Except as pro-
3 vided in AS 04.11.020, a person may not manufacture, sell, offer for
4 sale, possess for sale or barter, traffic in, or barter an alcoholic
5 beverage unless under license or permit issued under this title.

6 (b) A person may not solicit or receive orders for the delivery of
7 an alcoholic beverage in an area where the results of a local option
8 election have, under AS 04.11.490 - 04.11.502, prohibited the board from
9 issuing, renewing or transferring any licenses or permits under this
10 title, unless the person is licensed under this title and the order is
11 actually received by that person from the purchaser of the alcoholic
12 beverage. A person who violates this subsection is punishable upon
13 conviction under AS 04.16.200(a) or (b).

14 Sec. 04.11.020. EXCEPTIONS: LICENSE OR PERMIT NOT REQUIRED. (a)
15 A license or permit is not required to authorize sales made by a person
16 under a judgment and decree of foreclosure, under the bankruptcy law of
17 the United States (11 U.S.C. 1101 et seq), or under order of the board
18 or a court under AS 04.16.220.

19 (b) A license or permit is not required to serve alcoholic bever-
20 ages in exchange for valuable contributions at a private gathering of a
21 bona fide group of co-workers or of a professional, social, or fraternal
22 organization if equal contributions are made by all in attendance and
23 only the amount required to purchase the alcoholic beverages is contri-
24 buted. All other applicable provisions of this title and regulations
25 under this title shall be observed at these private gatherings.

26 Sec. 04.11.030. DEATH OF LICENSEE. (a) The executor or adminis-
27 trator of the estate of a person who was operating a business as a sole
28 licensee under a license authorized by this title may continue to oper-
29 ate the licensed business until an application for transfer of a license

1 to another person is approved or until the license is forfeited under
2 (b) of this section.

3 (b) If an application for the transfer of ownership of a license
4 from the deceased licensee is not made within 90 days of the death of
5 the licensee or within an additional 90 days if an application for
6 transfer of ownership made by the executor is denied, or no petition is
7 made to the board for an extension of time under (c) of this section
8 within that time, the license shall be forfeited.

9 (c) The board may extend the time limits in (b) of this section on
10 petition of the executor or administrator.

11 (d) This section does not authorize the transfer of a liquor
12 license by an administrator or executor to the estate of a decedent.

13 (e) The board may transfer a license to an executor or adminis-
14 trator only in the executor's or administrator's individual capacity.

15 Sec. 04.11.040. BOARD APPROVAL OF TRANSFERS. (a) A license
16 issued under this title may not be transferred to another person except
17 with the written consent of the board.

18 (b) A license or permit issued under this title may not be trans-
19 ferred to a new location except with the written consent of the board.

20 (c) A person may not receive or transfer controlling interest in a
21 liquor license issued to a corporation under this title except with the
22 written consent of the board.

23 Sec. 04.11.050. REPORTS REQUIRED OF CORPORATIONS. (a) A corpora-
24 tion issued a license under this title shall report to the board when 10
25 per cent or more of its corporate stock is transferred and shall also
26 report any change in its corporate officers or in the membership of its
27 board of directors.

28 (b) The report to the board shall be made in writing in duplicate
29 and must be sent within 10 days after the transfer of the stock or the

1 change in officers or directors.

2 (c) This section does not apply to a corporation whose stock is
3 listed on a stock exchange, a corporation which is required by law to
4 file periodic reports with the United States Securities Exchange Commis-
5 sion, or to a bank, trust company, financial institution, or title
6 company to which a license is issued in a fiduciary capacity.

7 Sec. 04.11.060. NONRESIDENT DISTILLER, BREWER, WINERY OR WHOLE-
8 SALER. A distiller, brewer, winery or wholesaler whose plant or prin-
9 cipal place of business is outside the state may not sell products
10 directly to licensees in the state without

- 11 (1) obtaining a general wholesale license under AS 04.11.-
12 160(a) for each wholesale distributing point in the state;
- 13 (2) appointing an agent upon whom process can be served; and
- 14 (3) obtaining other applicable licenses under the provisions
15 of this title.

16 Sec. 04.11.070. POWER LIMITED TO THE BOARD. Only the board may
17 issue, renew, transfer, suspend, or revoke a license under this title.

18 ARTICLE 2. LICENSES AND PERMITS.

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

- 21 (1) beverage dispensary license;
- 22 (2) duplicate beverage dispensary license for additional
23 rooms;
- 24 (3) restaurant or eating place license;
- 25 (4) club license;
- 26 (5) bottling works license;
- 27 (6) brewery license;
- 28 (7) package store license;
- 29 (8) general wholesale license;

- 1 (9) wholesale malt beverage and wine license;
- 2 (10) distillery license;
- 3 (11) common carrier dispensary license;
- 4 (12) retail stock sale license;
- 5 (13) recreational site license;
- 6 (14) pub license;
- 7 (15) winery license;
- 8 (16) caterer's permit;
- 9 (17) special events permit;
- 10 (18) conditional contractor's permit.

11 Sec. 04.11.090. BEVERAGE DISPENSARY LICENSE. (a) A beverage
12 dispensary license authorizes the holder to sell or serve on the li-
13 censed premises alcoholic beverages for consumption on the licensed
14 premises only.

15 (b) The annual beverage dispensary license fee is \$1,250.

16 (c) An applicant for a beverage dispensary license must file
17 with the application a cash bond or a surety bond executed by a surety
18 company approved by the board. The bond shall be in the sum of \$2,500.
19 Upon revocation of the license under AS 04.11.370(4), the bond shall
20 be forfeited and the amount deposited in the general fund of the
21 state.

22 (d) The area designated as the licensed premises under a beverage
23 dispensary license issued to a hotel, motel, resort or similar business
24 which caters to the traveling public as a substantial part of its busi-
25 ness may include the dining room, banquet room, guests' rooms, and other
26 public areas approved by the board.

27 (e) A holder of a beverage dispensary license may not maintain
28 upon the licensed premises more than one room in which there is regu-
29 larly maintained a fixed counter or service bar at which alcoholic

1 beverages are sold or served to members of the public for consumption
2 unless he is issued by the board, after investigation, a duplicate of
3 the original license for each of the rooms. The holder of the beverage
4 dispensary license shall pay to the board with each application for a
5 duplicate license an amount equal to the fee payable for the original
6 beverage dispensary license under (b) of this section. If the licensed
7 premises are located within a municipality, a duplicate beverage dis-
8 pensary license may not be issued unless approved by the council or
9 assembly, as appropriate.

10 (f) The area designated as the licensed premises under a beverage
11 dispensary license issued to a bowling alley may include the concourse
12 or lane areas of the bowling alley. Notwithstanding AS 04.16.049, the
13 board may, upon application, authorize access by persons under 19 years
14 of age to the concourse or lane areas designated part of the bowling
15 alley's licensed premises during hours when no alcoholic beverages are
16 being sold, served, or consumed.

17 Sec. 04.11.100. RESTAURANT OR EATING PLACE LICENSE. (a) A res-
18 taurant or eating place license authorizes a restaurant or eating place
19 to sell beer and wine for consumption only on the licensed premises.

20 (b) A license may be issued under this section only if the board
21 determines that the premises to be licensed is a bona fide restaurant or
22 eating place.

23 (c) A license may be issued under this section only if the sale
24 and service of food and alcoholic beverages and any other business
25 conducted on the licensed premises of the restaurant or eating place is
26 under the sole control of the licensee.

27 (d) The annual fee for a restaurant or eating place license is
28 \$300.

29 Sec. 04.11.110. CLUB LICENSE. (a) A club license authorizes a

1 club or organization to sell alcoholic beverages for consumption only on
2 the licensed premises.

3 (b) A club license may only be issued to a club, fraternal organi-
4 zation, patriotic organization, or social organization chartered by a
5 state or national organization for a period of two consecutive years
6 before application for a license under this section. The organization
7 licensed under this section must be operated for social, recreational,
8 political, benevolent or athletic purposes and not for profit. A club
9 license may only be issued to an organization if none of the income
10 from the sale of alcoholic beverages is distributed to its members,
11 directors, or officers. Soliciting of public patronage of the club
12 premises except as approved by the board is a violation of this section.

13 (c) The annual club license fee is \$600.

14 (d) Alcoholic beverages sold under a club license may be purchased
15 only by (1) members of the club and their families, (2) widows or
16 widowers of deceased members who have been accorded club privileges, and
17 (3) military personnel in uniform on active duty who are extended the
18 privilege by patriotic organizations upon special occasions. Alcoholic
19 beverages may be purchased only in the portion of the club rooms which
20 are part of the licensed premises.

21 (e) Guests who enter the club premises on the invitation of a
22 member and in the company of the member may be served but not sold
23 alcoholic beverages. A guest must leave the premises immediately upon
24 the departure of the member who extended the invitation to enter.

25 (f) Alcoholic beverages purchased by a club or organization li-
26 censed under this section may not be used or consumed off the licensed
27 premises of the club or organization by any person, including club
28 members and employees.

29 (g) Notwithstanding AS 04.16.049, the board may authorize access

1 by persons under 19 years of age to a club's licensed premises during
2 hours when no alcoholic beverages are sold, served or consumed.

3 (h) In this section, "member" means a holder of paid-up membership
4 entitling the holder to all voting rights and privileges of membership
5 under the constitution or bylaws of the club or organization.

6 Sec. 04.11.120. BOTTLING WORKS LICENSE. (a) A bottling works
7 license authorizes the holder to operate a bottling works where beer and
8 wine may be bottled and sold.

9 (b) A sale under a bottling works license may be made only to a
10 person licensed under this title and only in quantities of more than
11 five wine gallons.

12 (c) The annual bottling works license fee is \$250.

13 Sec. 04.11.130. BREWERY LICENSE. (a) A brewery license autho-
14 rizes the holder to operate a brewery where beer is manufactured and
15 bottled or barreled for sale.

16 (b) A brewery license authorizes the holder to sell beer in
17 quantities of more than five wine gallons to persons licensed to sell
18 beer under this title.

19 (c) The holder of a brewery license may permit a person to sample
20 small portions of the brewery's product free of charge unless prohibited
21 by AS 04.16.030.

22 (d) The annual brewery license fee is \$500.

23 Sec. 04.11.140. WINERY LICENSE. (a) A winery license authorizes
24 the holder to operate a winery where wine is manufactured and bottled or
25 barreled for sale.

26 (b) A winery license authorizes the holder to sell wine to persons
27 licensed under this title in quantities of more than five wine gallons.

28 (c) The holder of a winery license may permit a person to sample
29 small portions of the wine on the premises free of charge unless pro-

1 hibited by AS 04.16.030.

2 (d) The annual winery license fee is \$250.

3 Sec. 04.11.150. PACKAGE STORE LICENSE. (a) A package store
4 license authorizes the holder to sell alcoholic beverages to a person in
5 response to a verbal solicitation for purchase received from the person
6 present on the licensed premises or in response to a written sollicita-
7 tion made by a person known to the licensee for a purchase to be re-
8 ceived by the person making the solicitation.

9 (b) The annual package store license fee is \$750.

10 (c) The holder of a package store license may not sell alcoholic
11 beverages requiring Internal Revenue strip stamps unless the stamps are
12 intact on the packages.

13 (d) The consumption of alcoholic beverages on premises licensed
14 under this section is prohibited.

15 (e) The business premises occupied by a holder of a package store
16 license may not be connected by a door, opening, or other means of
17 passage intended for the access of the general public to an adjacent
18 retail business not licensed under this title.

19 (f) When the holder of a package store license is also a holder of
20 a beverage dispensary license and the package store premises are con-
21 tained within or are adjacent to the premises of the beverage dispensary
22 and the only public entrance to the package store is by a door or other
23 means within the premises of the beverage dispensary, the board shall
24 determine if additional entrances to the package store are necessary for
25 enforcement purposes, to meet health and fire safety standards, or for
26 the convenience of the public.

27 (g) "Business premises" means that part of the licensed premises
28 to which the public has access.

29 Sec. 04.11.160. WHOLESALE LICENSES. (a) A general wholesale

1 license authorizes the holder to sell alcoholic beverages in the origi-
 2 nal package, and wine in bulk, in quantities of not less than five
 3 gallons. A holder of a general wholesale license may not sell to a
 4 person not licensed under this title, except as provided in AS 04.21.-
 5 040. A holder of a general wholesale license may not sell alcoholic
 6 beverages requiring Internal Revenue strip stamps unless the alcoholic
 7 beverages have the stamps intact on the package. A wholesaler must
 8 obtain a general wholesale license for each distributing point. The
 9 annual general wholesale license fee is \$1,000 for the first \$100,000 of
 10 business transacted, payable at the time of making an original applica-
 11 tion or an application for renewal. In addition, the following annual
 12 fees shall be paid by a holder of a general wholesale license:

Business Transacted During Year	Fee
over \$100,000 and not over \$150,000	\$ 500
over \$150,000 and not over \$200,000	\$ 1,000
over \$200,000 and not over \$250,000	\$ 1,500
over \$250,000 and not over \$300,000	\$ 2,000
over \$300,000 and not over \$350,000	\$ 2,500
over \$350,000 and not over \$400,000	\$ 3,000
over \$400,000 and not over \$500,000	\$ 4,000
over \$500,000 and not over \$600,000	\$ 5,000
over \$600,000 and not over \$700,000	\$ 6,000
over \$700,000 and not over \$800,000	\$ 7,000
over \$800,000 and not over \$1,000,000	\$ 9,000
over \$1,000,000	\$10,000

26 (b) A wholesale malt beverage and wine license authorizes the
 27 holder to sell malt beverages and wine in the original packages in
 28 quantities of not less than five wine gallons. The holder of a whole-
 29 sale malt beverage and wine license may not sell to a person not

1 licensed under this title except as provided in AS 04.21.040. The
2 annual wholesale malt beverage and wine license fee is \$200 for the
3 first \$20,000 of business transacted during a year, payable at the time
4 of making an original application or application for renewal. In addi-
5 tion, the following annual fees shall be paid by a holder of a wholesale
6 malt beverage and wine license:

7 Business Transacted During Year	Fee
8 over \$20,000 and not over \$50,000	\$ 300
9 over \$50,000 and not over \$100,000	\$ 1,000
10 over \$100,000 and not over \$150,000	\$ 1,500
11 over \$150,000 and not over \$200,000	\$ 2,000
12 over \$200,000 and not over \$400,000	\$ 4,000
13 over \$400,000 and not over \$600,000	\$ 6,000
14 over \$600,000 and not over \$800,000	\$ 8,000
15 over \$800,000	\$10,000

16 (c) In this section, the "total business transacted" means the
17 total value of business transacted by the wholesale business, including
18 the excise tax imposed by AS 43.60.010.

19 (d) No later than February 28 of each year following that for
20 which a license has been issued under this section, the licensee shall
21 file with the board an affidavit showing the total amount of business
22 transacted during the preceding year under his license and the location
23 of the licensed premises at which the business was transacted. At the
24 time of filing the affidavit, the licensee shall pay the license fees
25 accrued under (a) and (b) of this section during the preceding year.

26 (e) Failure to file an affidavit under (d) of this section or the
27 expiration of a license under AS 04.11.540 does not relieve a licensee
28 from paying the prescribed fees.

29 Sec. 04.11.170. DISTILLERY LICENSE. (a) A distillery license

1 authorizes the holder to operate a distillery where alcoholic beverages
2 are distilled and bottled or barreled for sale.

3 (b) A distillery license authorizes the holder to sell alcoholic
4 beverages to persons licensed under this chapter in quantities of more
5 than five gallons.

6 (c) The annual distillery license fee is \$500.

7 Sec. 04.11.180. COMMON CARRIER DISPENSARY LICENSE. (a) A common
8 carrier dispensary license authorizes the holder to sell alcoholic
9 beverages for consumption aboard a vehicle, boat, aircraft, or railroad
10 buffet car licensed by a state or federal agency for passenger travel.

11 (b) The annual fee for a common carrier dispensary license is \$350
12 for each vehicle, boat, aircraft, or railroad buffet car in which al-
13 coholic beverages are served.

14 Sec. 04.11.200. RETAIL STOCK SALE LICENSE. (a) A retail stock
15 sale license authorizes the holder to sell the remaining stock of a
16 package liquor store when the owner wishes to close out or terminate the
17 business of the store.

18 (b) A sale by a holder of a retail stock sale license may only be
19 in quantities of five wine gallons or more per sale and may only be to
20 persons licensed under this chapter.

21 (c) The retail stock sale license shall be issued for a period of
22 90 days from the expiration or forfeiture of the package store license
23 and is not renewable.

24 (d) The retail stock sale license shall be issued only if the
25 owner of the package store business does not have a current package
26 store license. However, if the owner had a package store license which
27 was suspended or revoked, the retail stock sale license may not be
28 issued.

29 (e) The retail stock sale license fee is \$100.

1 Sec. 04.11.210. RECREATIONAL SITE LICENSE. (a) The holder of a
2 recreational site license may sell beer and wine at a recreational site
3 during and one hour before and after a recreational event which is not a
4 school event, for consumption on designated areas at the site.

5 (b) The annual fee for a recreational site license is \$400.

6 (c) In this section, "recreational site" means, but is not limited
7 to, a location where baseball games, car races, hockey games, dog sled
8 racing events, or curling matches are regularly held during a season.

9 Sec. 04.11.220. PUB LICENSE. (a) A pub license authorizes the
10 holder to sell beer and wine for consumption only at a designated pre-
11 mises located on the campus of an accredited college or university.

12 (b) Only one pub license may be issued or renewed for each college
13 or university campus in the state.

14 (c) A pub license may not be issued or renewed without the written
15 approval of the governing body of the college or university.

16 (d) The annual fee for a pub license is \$400.

17 (e) In this section, an "accredited college or university" means a
18 college or university accredited by the Northwest Association of Sec-
19 ondary and Higher Schools.

20 Sec. 04.11.230. CATERER'S PERMIT. (a) A caterer's permit autho-
21 rizes the holder of a beverage dispensary license to sell or dispense
22 alcoholic beverages at conventions, picnics, social gatherings, sporting
23 events, or similar affairs held off the holder's licensed premises. The
24 permit may only be issued for designated premises for a specific occa-
25 sion and for a limited period of time.

26 (b) The written approval of a law enforcement agency having
27 jurisdiction over the site of the occasion for which the permit is
28 sought must be obtained and accompany the application.

29 (c) A caterer's permit may not be transferred or renewed.

1 (d) A caterer's permit must be surrendered to the board, its
2 agent, or the law enforcement agency approving the permit within 48
3 hours of its expiration time. Failure to surrender the permit is cause,
4 in the discretion of the board, for denial of applications for permits
5 made in the future by the permittee.

6 (e) The fee for a caterer's permit is \$50 and shall accompany the
7 application for a permit.

8 Sec. 04.11.240. SPECIAL EVENTS PERMIT. (a) A special events
9 permit authorizes the holder to sell or dispense beer or wine for con-
10 sumption at designated premises for a specific occasion and limited
11 period of time. Only nonprofit fraternal, civic, or patriotic organiza-
12 tions active for a period of at least two years before application and
13 incorporated under AS 10.20 are eligible for a special events permit,
14 and only if all profits derived from the sale of beer or wine are paid
15 to the organization and not to an individual.

16 (b) An application for a special events permit must be received in
17 the main office of the board at least 10 days before the date for which
18 the permit is requested. The application must be signed by both the
19 president and secretary of the organization applying for the permit. A
20 sworn affidavit showing the length of time the organization has been in
21 existence must accompany the application, together with a certified copy
22 of the resolution of the board of directors authorizing the application.
23 The written approval of the law enforcement agency having jurisdiction
24 over the designated premises of the occasion for which the permit is
25 sought must also be obtained and accompany the application.

26 (c) The special events permit must be surrendered to the board,
27 its agent, or the law enforcement agency approving the permit, within 48
28 hours of its expiration time. Failure to surrender the permit is cause,
29 in the discretion of the board, for denial of applications for permits

1 made in the future by the organization. No more than five special
2 events permits may be granted to an organization, including its auxili-
3 ary, in any one calendar year.

4 (d) A special events permit may not be transferred or renewed.

5 (e) The fee for a special events permit is \$50 a day.

6 Sec. 04.11.250. CONDITIONAL CONTRACTOR'S PERMIT. (a) A condi-
7 tional contractor's permit authorizes the holder to sell beer or wine
8 for consumption and sale only on designated premises for one year from
9 the date of issuance of the permit at construction sites which are
10 located outside a city and inside the boundaries of a military or naval
11 reservation.

12 (b) An applicant for a conditional contractor's permit must obtain
13 and file with the board written permission from the commanding officer
14 of the military or naval reservation and the prime contractor of the
15 remotely situated project for the conduct of the activities authorized
16 by the permit. A conditional contractor's permit may be renewed annu-
17 ally upon reapplication for a permit and may be revoked or suspended at
18 the discretion of the commanding officer or the prime contractor.

19 (c) A conditional contractor's permit may not be transferred and
20 is not valid after the completion of the holder's contract or the clos-
21 ing of the military or naval reservation.

22 (d) The annual conditional contractor's permit fee is \$600.

23 ARTICLE 3. APPLICATION FOR LICENSE OR PERMIT.

24 Sec. 04.11.260. APPLICATION FOR NEW LICENSE OR PERMIT. (a) An
25 applicant for a new license or permit shall file with the director a
26 written application, signed and sworn to by the applicant, giving his
27 name and address. If the applicant is a corporation, the application
28 shall be executed by the authorized officers of the corporation. The
29 application shall include:

- 1 (1) the type of license or permit desired;
- 2 (2) a description of the premises for which the license or
- 3 permit is desired, giving the address by street and number, or other
- 4 information, so that the location of the premises can be definitely
- 5 determined;
- 6 (3) a statement of the residency of the applicant;
- 7 (4) the license fee;
- 8 (5) the duration of the license or permit desired;
- 9 (6) any other information required by the board.

10 (b) A corporation applying for a license or permit shall provide
11 the names and addresses of the president, vice-president, secretary,
12 managing officer, and all stockholders who own 10 percent or more of
13 the stock in the corporation, together with any other information re-
14 quired by the board.

15 (c) An applicant for a new license or permit must include with his
16 application

- 17 (1) proof that notice required by AS 04.11.310 has been
- 18 given;
- 19 (2) any petitions required to be secured under AS 04.11.460
- 20 before a license may be issued;
- 21 (3) evidence of any approval by public authorities required
- 22 to be obtained under AS 04.11.090(e), 04.11.220(c), 04.11.230(b), 04.-
- 23 11.240(b), or 04.11.250(b), before a license may be issued.

24 Sec. 04.11.270. APPLICATION FOR RENEWAL OF LICENSE OR PERMIT. (a)
25 Each application for renewal of a license or renewal of a conditional
26 contractor's permit shall include:

- 27 (1) the information required for a new license under AS 04.-
- 28 11.260 except that proof of notice under AS 04.11.310 is not required;
- 29 and

1 (2) a list of all convictions of the applicant of violations
2 of this title, a regulation adopted under this title, or an ordinance
3 adopted under AS 04.21.010, which occurred in the preceding year.

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

5 (1) On or before November 1 of each year, the director shall
6 mail an application to renew the license to each licensee at his li-
7 censed premises or at a mailing address furnished by the licensee.

8 (2) An application to renew a license may be filed on or
9 before December 31 and shall be accompanied by the annual fee required
10 for the license. An application to renew the license may be filed after
11 December 31 and on or before February 28 if accompanied by the annual
12 fee for the license, plus a penalty equal to the annual fee or \$100,
13 whichever is less.

14 Sec. 04.11.280. APPLICATION FOR TRANSFER OF A LICENSE TO ANOTHER
15 PERSON. (a) An application for transfer of a license to another person
16 shall contain the same information about the transferee as is required
17 of an applicant for a new license under AS 04.11.260 and shall include
18 other information required by the board.

19 (b) An application for the transfer of a license to another person
20 shall be accompanied by a statement, under oath, executed by the trans-
21 feror, listing all debts of the business and all taxes due by the busi-
22 ness. The board shall promptly inform each listed creditor of the
23 application and the amount shown as owed to that creditor.

24 Sec. 04.11.290. APPLICATION FOR TRANSFER OF LICENSE LOCATION. An
25 application for a transfer of a license to a new location shall contain
26 the information required by the board and shall be accompanied by proof
27 that the notice required in AS 04.11.310 has been given and by any peti-
28 tions required to be secured under AS 04.11.450 before a license may be
29 transferred.

1 Sec. 04.11.300. STATE TROOPER INVESTIGATION. The state troopers
2 shall assist the director in the investigation of applicants for new
3 licenses and applicants for the transfer of existing licenses before the
4 applications are considered by the board.

5 Sec. 04.11.310. NOTICE OF APPLICATION. Before a new license is
6 issued, or transfer of location or transfer of a license to another
7 person is approved, the applicant must post a copy of the application
8 for 10 days at the location of the proposed licensed premises and at any
9 additional locations designated by the board. The board may require the
10 applicant (1) to provide a copy of the application to newspapers, radio
11 and television stations for public service announcement or (2) to pro-
12 vide paid notice of the application once each week for three successive
13 weeks in a newspaper or by radio. The notice required in this subsec-
14 tion shall be in more than one language when the board decides it is
15 necessary.

16 ARTICLE 4. DENIAL, SUSPENSION, OR REVOCATION
17 OF LICENSES AND PERMITS.

18 Sec. 04.11.320. DENIAL OF NEW LICENSES AND PERMITS. (a) An
19 application requesting issuance of a new license shall be denied if
20 (1) the board finds, after review of all relevant informa-
21 tion, that issuance of the license would not be in the best interests of
22 the public;
23 (2) issuance of the license is prohibited by AS 04.11.390,
24 relating to residency, or AS 04.11.410, relating to location of premises
25 near churches and schools;
26 (3) the application has not been completed in accordance with
27 AS 04.11.260;
28 (4) issuance of the license would violate the restrictions
29 pertaining to the particular license imposed under this title;

1 (5) issuance of the license is prohibited under this title as
2 a result of an election conducted in accordance with AS 04.11.490 -
3 04.11.508;

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

7 (7) the licensed premises are to be located in a first or
8 second class city, the type of license sought is a beverage dispensary
9 or package store license, and the type of license sought is already held
10 by the city, unless the new license is to become effective after the
11 license held by the city is no longer effective, whether as the result
12 of a local option election or otherwise;

13 (8) a first or second class city is to be the holder of the
14 license, if the license sought is a beverage dispensary or package store
15 license and the licensed premises will be located in a city where the
16 type of license sought is already held by a private licensee, unless the
17 new license is to become effective after the privately held license is
18 no longer effective, whether as the result of a local option election or
19 otherwise;

20 (9) issuance of the license is prohibited under AS 04.11.-
21 400(a) or prohibition of issuance is found necessary under AS 04.11.-
22 400(f);

23 (10) the application contains false statements of material
24 fact;

25 (11) the license is sought for the sale of alcoholic beverages
26 on premises to be located in a first or second class city in which there
27 are no licensed premises at the time of application unless a majority of
28 the voters in a local option election conducted in accordance with
29 AS 04.11.504 have voted "no" on the question set out in AS 04.11.490, or

1 have voted "yes" on a question set out in AS 04.11.492 or 04.11.502;

2 (12) the license is sought for the sale of alcoholic beverages
3 on premises to be located in an established village in which there are
4 no licensed premises at the time of application unless a majority of the
5 voters in a local option election conducted in accordance with AS 04.11.-
6 504 have voted "no" on the question set out in AS 04.11.490 or have
7 voted "yes" on the question set out in AS 04.11.502.

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

10 (1) the board finds, after review of all relevant informa-
11 tion, that issuance of the permit would not be in the best interests of
12 the public;

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

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

17 (4) the permit is sought for the sale of alcoholic beverages
18 on premises to be located in a first or second class city or established
19 village in which there are no licensed premises at the time of applica-
20 tion unless a majority of the voters in a local option election con-
21 ducted in accordance with AS 04.11.504 have voted "no" on the question
22 set out in AS 04.11.490.

23 Sec. 04.11.330. DENIAL OF LICENSE OR PERMIT RENEWAL. (a) An
24 application requesting renewal of a license shall be denied if

25 (1) the board finds, after review of all relevant informa-
26 tion, that renewal of the license would not be in the best interests of
27 the public;

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

29 (3) the applicant has not operated the licensed premises for

1 at least 30 eight-hour days during the immediately preceding calendar
2 year, unless the board determines that the licensed premises are under
3 construction or cannot be operated through no fault of the applicant;

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

6 (5) the requirements of AS 04.11.420 - 04.11.450 relating to
7 zoning, ownership of the license, and financing of the licensee have not
8 been met;

9 (6) renewal of the license would violate the restrictions
10 pertaining to the particular license under this title;

11 (7) renewal of the license is prohibited under this title as
12 a result of an election conducted in accordance with AS 04.11.490 - 04.-
13 11.508;

14 (8) the application has not been completed in accordance with
15 AS 04.11.270.

16 (b) An application for renewal of a license may be denied if the
17 applicant is delinquent in the payment of taxes if the tax liability
18 arises in whole or in part out of the licensed business.

19 (c) An application requesting renewal of a conditional contrac-
20 tor's permit shall be denied if

21 (1) the board finds, after review of all relevant informa-
22 tion, that issuance of the permit would not be in the best interests of
23 the public;

24 (2) the application has not been completed in accordance with
25 AS 04.11.270.

26 Sec. 04.11.340. DENIAL OF TRANSFER OF LOCATION. An application
27 requesting approval of a transfer of location of licensed premises shall
28 be denied if

29 (1) the board finds, after review of all relevant informa-

1 tion, that transfer of location of the license would not be in the best
2 interests of the public;

3 (2) the transfer of location of the license is prohibited
4 under AS 04.11.400(a) or prohibition of transfer is found necessary
5 under AS 04.11.400(f);

6 (3) the license would be transferred out of the election
7 district within which it was originally issued, unless the election
8 district into which the license would be transferred is within the
9 incorporated city, organized borough or unified municipality within
10 which the license was originally issued;

11 (4) transfer of ownership is to be made concurrently with the
12 transfer of the location of the licensed premises and a ground for
13 denial of the transfer of ownership under AS 04.11.360 is presented;

14 (5) the application has not been completed in accordance with
15 AS 04.11.290;

16 (6) transfer of location of the license would result in
17 violation of a local zoning law;

18 (7) transfer of location of the license would violate the
19 restrictions pertaining to the particular license imposed by this title;

20 (8) transfer of location of the license is prohibited under
21 this title as a result of an election conducted in accordance with
22 AS 04.11.490 - 04.11.508;

23 (9) the licensed premises are to be located in a first or
24 second class city, the type of license sought to be transferred is a
25 beverage dispensary or package store license, and the type of license
26 sought to be transferred is already held by the city, unless the transfer
27 is to become effective after the license held by the city is no longer
28 effective, whether as the result of a local option election or otherwise.

29 Sec. 04.11.360. DENIAL OF TRANSFER OF A LICENSE TO ANOTHER PERSON.

1 An application requesting approval of a transfer of a license to another
2 person under this title shall be denied if

3 (1) the board finds, after review of all relevant informa-
4 tion, that transfer of a license to another person would not be in the
5 best interests of the public;

6 (2) the application has not been completed in accordance with
7 AS 04.11.280;

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

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

12 (A) he gives security for the payment of the debts or
13 taxes satisfactory to the creditor or taxing authority; or

14 (B) the transfer is pursuant to a promise given as
15 collateral by the transferor to the transferee in the course of an
16 earlier transfer of the license under which promise the transferor
17 is obliged to transfer the license back to the transferee in the
18 event of default in payment for property conveyed as part of the
19 earlier transfer of the license;

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

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

25 (7) transfer of the license to another person is prohibited
26 under the provisions of this title as a result of an election conducted
27 in accordance with AS 04.11.490 - 04.11.508;

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

1 (9) the licensed premises are located in a first or second
2 class city, the type of license sought to be transferred is a beverage
3 dispensary or package store license, and the type of license sought to
4 be transferred is already held by the city, unless the transfer is to
5 become effective after the license held by the city is no longer effec-
6 tive, whether as the result of a local option election or otherwise;

7 (10) a first or second class city is to be the holder of the
8 license, if the license sought to be transferred is a beverage dispen-
9 sary or package store license, and the licensed premises will be located
10 in a city where the type of license sought to be transferred is already
11 held by a private licensee, unless the transfer is to become effective
12 after the privately held license is no longer effective, whether as the
13 result of a local option election or otherwise.

14 Sec. 04.11.370. SUSPENSION AND REVOCATION OF LICENSES AND PERMITS.
15 A license or permit shall be suspended or revoked if the board finds
16 that one or more of the following grounds exists:

17 (1) misrepresentation of a material fact on an application
18 for a license or permit;

19 (2) continuation of activities authorized under a license or
20 permit would be contrary to the best interests of the public;

21 (3) failure on the part of the licensee to correct defects
22 which constitute violations of this title, regulations adopted under
23 this title, or other laws within a prescribed time after receipt of
24 notice issued by the board or its agent;

25 (4) conviction of a licensee of a violation of a provision of
26 this title, a regulation adopted under this title, or an ordinance
27 adopted under AS 04.21.010;

28 (5) conviction of the agent or employee of a licensee of a
29 violation of this title, a regulation adopted under this title, or an

1 ordinance adopted under AS 04.21.010, if the licensee is found by the
2 board to have either knowingly allowed the violation or to have reck-
3 lessly or with criminal negligence failed to act in accordance with the
4 duty prescribed under AS 04.21.030 with the result that an agent or
5 employee violates a law, regulation, or ordinance;

6 (6) failure of the licensee to comply with the laws and
7 regulations pertaining to public health in the state;

8 (7) use of the licensed premises as a resort for illegal
9 possessors or users of narcotics, prostitutes, or pimps; in addition to
10 any other legally competent evidence, the character of the premises may
11 be proved by the general reputation of the premises in the community as
12 a resort for illegal possessors or users of narcotics, prostitutes, or
13 pimps;

14 (8) occurrence of illegal gambling within the limits of the
15 licensed premises;

16 (9) permitting any public offense involving moral turpitude
17 to occur on the licensed premises;

18 (10) violation by a licensee of this title, a regulation
19 adopted under this title, or an ordinance adopted under AS 04.21.010;

20 (11) violation by an agent or employee of a licensee of a
21 provision of this title, a regulation adopted under this title, or an
22 ordinance adopted under AS 04.21.010, if the licensee is found by the
23 board to have either knowingly allowed the violation or to have reck-
24 lessly or with criminal negligence failed to act in accordance with the
25 duty prescribed under AS 04.21.030 with the result that the agent or
26 employee violates the law, regulation, or ordinance.

27 ARTICLE 5. RESTRICTIONS ON ISSUANCE AND TRANSFER OF LICENSES.

28 Sec. 04.11.390. RESIDENCE. A beverage dispensary license or
29 package store license may not be issued to a person or association of

1 persons who have not resided in the state for at least one year before
2 the date of application. A beverage dispensary license or package store
3 license may not be issued to either a domestic corporation which has not
4 been issued a certificate of incorporation or a foreign corporation
5 which has not been issued a certificate of authority to transact busi-
6 ness in the state at least one year before the date of the application.

7 Sec. 04.11.400. POPULATION LIMITATIONS. (a) Except as provided
8 in (g) and (h) of this section, a new license may not be issued or an
9 existing license transferred to a new location

10 (1) outside an incorporated city, a unified municipality, or
11 an established village if after the issuance or transfer there would be
12 more than one license of each type for each 1,500 population or fraction
13 of 1,500 population, including licenses which have been issued under (g)
14 or (h) of this section, in a radius of five miles of the licensed prem-
15 ises or location of premises sought to be licensed;

16 (2) inside an established village, an incorporated city, or a
17 unified municipality if after the issuance or transfer there would be
18 more than one license of each type for each 1,500 population or fraction
19 of 1,500 population, including licenses which have been issued under (g)
20 or (h) of this section, inside the boundaries of the village, city or
21 municipality.

22 (b) If the application is for a license outside of an established
23 village, incorporated city, or unified municipality and the radius
24 described in (a)(1) of this section encompasses all of the established
25 village, incorporated city, or unified municipality and the population
26 resident inside and outside the village, city, or municipality but
27 inside the radius described in (a)(1) of this section is less than
28 1,500, the board may deny the issuance or transfer of the license.

29 (c) In this section "unified municipality" means a unified muni-

1 ciproality established under AS 29.68.

2 (d) In this section "radius" means the circular area or distance
3 limited by the sweep of a straight line originating at the proposed
4 licensed premises and extending outward.

5 (e) In (a)(1) of this section, "population" includes only those
6 persons residing inside the radius but outside of an established village,
7 an incorporated city, or a unified municipality as of December 31 of the
8 year preceding the date of application.

9 (f) In (a)(2) of this section, "population" includes only those
10 persons residing inside an established village, an incorporated city, or
11 a unified municipality as of December 31 of the year preceding the date
12 of application.

13 (g) The board may, in its discretion, approve the issuance or
14 transfer of location of a beverage dispensary or restaurant or eating
15 place license without regard to (a) of this section if it appears that
16 the issuance or transfer will encourage the tourist trade by encouraging
17 the construction or improvement of

18 (1) a hotel, motel, resort, or similar business relating to
19 the tourist trade having

20 (A) a minimum of 10 rental rooms, and

21 (B) a dining facility, which requirement may be waived
22 if most of the rental rooms have kitchen facilities; or

23 (2) an airport terminal.

24 (h) A restaurant or eating place license may be issued or trans-
25 ferred notwithstanding (a) of this section if

26 (1) the premises of the restaurant or eating place are more
27 than 18 miles from the corporate limits of a city or unified municipali-
28 ty;

29 (2) the premises will serve food to the traveling public; and

1 (3) the board finds that the public convenience will be
2 served by the issuance or transfer.

3 (i) An application requesting a transfer of location of licensed
4 premises shall be granted notwithstanding (a) of this section if the new
5 location is less than one mile from the original location and

6 (1) no ground for denial exists under AS 04.11.340(1) or (3);
7 and

8 (2) relocation of the licensed premises is necessary due to

9 (A) termination of a lease or rental agreement;

10 (B) condemnation of the premises;

11 (C) the substantial destruction of the premises by any
12 cause.

13 Sec. 04.11.410. RESTRICTION OF LOCATION NEAR CHURCHES AND SCHOOLS.

14 (a) A beverage dispensary or package store license may not be issued
15 and the location of an existing license may not be transferred if the
16 licensed premises would be located in a building the public entrance of
17 which is within 200 feet of a school ground or a church building in
18 which religious services are regularly conducted, measured by the
19 shortest pedestrian route from the outer boundaries of the school ground
20 or the public entrance of the church building. However, a license
21 issued before the occurrence of either cause of restriction may be
22 renewed or transferred to a person notwithstanding this subsection.

23 (b) If a beverage dispensary or package store license for premises
24 located within 200 feet of a school ground or church building in which
25 religious services are regularly conducted is revoked, expires or is
26 transferred to another location, a beverage dispensary or package store
27 license may not be issued or transferred to the formerly licensed pre-
28 mises until the removal of either cause of restriction.

29 Sec. 04.11.420. ZONING LIMITATIONS. (a) A person may not be

1 issued a license or permit in a municipality if a zoning regulation or
2 ordinance prohibits the sale or consumption of alcoholic beverages
3 unless a variance of the regulation or ordinance has been approved.

4 (b) The municipality shall inform the board of zoning regulations
5 or ordinances which prohibit the sale or consumption of alcoholic bever-
6 ages.

7 Sec. 04.11.430. PERSON AND LOCATION. Each license shall be issued
8 to a specific individual or individuals, a city, or to a corporation.
9 If the license is issued to a corporation, the registered agent of the
10 corporation must be an individual resident of the state. Except for a
11 license authorizing the sale of alcoholic beverages on a common carrier,
12 a specific location shall be indicated on the license or permit as the
13 licensed premises, the principal address of which shall be indicated on
14 the license or permit. The mailing address of a licensee or, if the
15 licensee is a corporation, the address of the registered office of the
16 corporation must be kept current and on file in the main office of the
17 board.

18 Sec. 04.11.450. PROHIBITED FINANCIAL INTEREST. (a) No person
19 other than a licensee may have a direct or indirect financial interest
20 in the business for which the license is issued.

21 (b) A person who is a representative or owner of a wholesale
22 business, brewery, winery, bottling works, or distillery may not be
23 issued, solely or together with others, a beverage dispensary license or
24 package store license.

25 (c) In this section, "direct or indirect financial interest" means
26 holding a legal or equitable interest in the operation of a business
27 licensed under this title. However, credit extended by a distiller, a
28 brewery or a winery to a wholesaler, or credit extended by a wholesaler
29 to persons licensed under this title, is not considered a financial

1 interest in a business licensed under this title.

2 (d) A license may not be leased by a licensee to another person or
3 corporation.

4 (e) For the purposes of this section, a lessor under a graduated
5 or percentage lease-rent agreement involving premises licensed under
6 this title does not hold a financial interest in the business.

7 (f) A holder of a wholesale license may not be employed by or act
8 as the agent or employee of the holder of a beverage dispensary or
9 package store license.

10 Sec. 04.11.460. PRIOR PUBLIC APPROVAL. (a) A new license or the
11 transfer of location of an existing license may not be approved by the
12 board in an area outside but within 50 miles of the boundaries of a
13 municipality unless a petition asking that the license be issued or
14 transferred within the area containing signatures of a majority of the
15 permanent residents residing within one mile of the proposed premises is
16 filed with the board.

17 (b) A license may not be issued in an area which is 50 miles or
18 more from the boundaries of a municipality unless a petition asking that
19 the license be issued within the area containing the signatures of
20 two-thirds of the permanent residents residing within a radius of five
21 miles of the United States post office station nearest to the proposed
22 licensed premises, is filed with the board. A petition is not required
23 for the renewal of a license issued in accordance with this subsection
24 unless specifically required by the board. If

25 (1) there are two or more United States post office stations
26 in the vicinity of the proposed licensed premises, the nearest to the
27 premises constitutes the point of beginning under this subsection;

28 (2) there is no United States post office station within a
29 radius of five miles of the proposed licensed premises, the applicant

1 must obtain the signatures of two-thirds of the permanent residents
2 residing within a five mile radius of the proposed licensed premises.

3 (c) For the purposes of this section, "permanent resident" means a
4 person 19 years of age or older who has established a permanent place of
5 abode.

6 ARTICLE 6. PROCEDURES FOR PUBLIC INFLUENCE.

7 Sec. 04.11.470. OBJECTION. A person may object to an application
8 for issuance, renewal, transfer of location, or transfer to another
9 person of a license, or for issuance of a permit by serving upon the
10 applicant and the board the reasons for the objection. The board may
11 consider the objections and testimony received at a hearing conducted
12 under AS 04.11.510(b)(2) when it considers the application. An objec-
13 tion and the record of a hearing conducted under AS 04.11.510(b)(2)
14 shall be retained as part of the board's permanent record of its review
15 of the application.

16 Sec. 04.11.480. PROTEST. (a) If a local governing body wishes to
17 protest the issuance, renewal, transfer of location or transfer to
18 another person of a license, it shall furnish the board and the appli-
19 cant with a protest within 30 days of receipt from the board of notice
20 of filing of the application. The board shall consider a protest and
21 testimony received at a hearing conducted under AS 04.11.510(b)(2) or
22 (4) when it considers the application, and the protest and the record of
23 the hearing conducted under AS 04.11.510(b)(2) or (4) shall be retained
24 as part of the board's permanent record of its review of the applica-
25 tion. If an application is protested, the board may not approve the
26 application unless the board finds that the protest is arbitrary,
27 capricious, or unreasonable.

28 (b) If the permanent residents residing outside of but within two
29 miles of an incorporated city or an established village wish to protest

1 the issuance, renewal, or transfer of a license within the city or
2 village, they shall file with the board a petition meeting the require-
3 ments of AS 04.11.510(b)(3) requesting a public hearing within 30 days
4 of the posting of notice required under AS 04.11.310, or by December 31
5 of the year application is made for renewal of a license. The board
6 shall consider testimony received at a hearing conducted under AS 04.-
7 11.510(b)(3) when it considers the application, and the record of a
8 hearing conducted under AS 04.11.510(b)(3) shall be retained as part of
9 the board's permanent record of its review of the application.

10 Sec. 04.11.490. PROHIBITION OF THE SALE OF ALCOHOLIC BEVERAGES.

11 (a) The following question, alone or with the questions set out in
12 AS 04.11.498 and 04.11.500, may be placed before the voters of a first
13 or second class city or an established village in accordance with AS 04.-
14 11.504: "Shall the sale of alcoholic beverages in(name of city or
15 village) be prohibited? (yes or no)".

16 (b) If a majority of the voters vote "yes" on the question set out
17 in (a) of this section, the board shall be notified immediately after
18 certification of the results of the election and thereafter may not
19 issue, renew, or transfer between holders or locations a license for
20 licensed premises located within the boundaries or perimeter of a city
21 or an established village or in an unincorporated area outside of but
22 within five miles of the boundaries of a city. As of midnight on the
23 day the results of the election are certified, licenses in effect within
24 the boundaries or perimeter of a city or an established village, and in
25 an unincorporated area outside of but within five miles of the boundaries
26 of a city, are void. If a package store license is voided under this
27 subsection, the holder of the package store license shall be issued,
28 upon application, a retail stock sale license without the payment of the
29 retail stock sale license fee if he fulfills all other requirements for

1 the issuance of a retail stock sale license.

2 (c) If a majority of the voters vote "no" on the question set out
3 in (a) of this section or vote "yes" on a question set out in AS 04.11.-
4 492 or 04.11.502 in an election conducted in accordance with AS 04.11.-
5 504 after an election in which the voters voted "yes" on the question
6 set out in (a) of this section, the board shall be notified immediately
7 after certification of the results of the election. Thereafter, the
8 prohibitions imposed under (b) of this section on the issuance, renewal,
9 or transfer of licenses between holders and location as a result of the
10 earlier election in which the voters voted "yes" on the question set out
11 in (a) of this section are removed.

12 Sec. 04.11.492. COMMUNITY HELD LICENSE. (a) The following ques-
13 tion, alone or with the questions set out in AS 04.11.498 and 04.11.500,
14 may be placed before the voters of a first or second class city in
15 accordance with AS 04.11.504: "Shall the sale of alcoholic beverages be
16 prohibited in(name of city) unless sold under a(either a
17 beverage dispensary or package store, or both) license held by the city?
18 (yes or no)"

19 (b) If a majority of the voters vote "yes" on the question set out
20 in (a) of this section, the board shall be notified immediately after
21 certification of the results of the election and thereafter may not
22 issue, renew, or transfer between holders or locations a license for
23 licensed premises located within the boundaries of a city or in an
24 unincorporated area outside of but within five miles of the boundaries
25 of a city, with the exception of beverage dispensary or package store
26 licenses held by the city. As of midnight on the day the results of the
27 election are certified, licenses in effect within the boundaries of a
28 city and in an unincorporated area outside of but within five miles of
29 the boundaries of a city are void. If a package store license is voided

1 under this subsection, the holder of the package store license shall be
2 issued, upon application, a retail stock sale license without payment of
3 the retail stock sale license fee if he fulfills all other requirements
4 for the issuance of a retail stock sale license.

5 (c) If a majority of the voters vote "yes" on the question set out
6 in (a) of this section, the city council of the city shall apply for a
7 beverage dispensary or package store license, or both, depending on the
8 terms of the question.

9 (d) If a majority of the voters vote "no" on the question set out
10 in (a) of this section or vote "yes" on a question set out in AS 04.11.-
11 490, 04.11.494, 04.11.496, or 04.11.502 in an election conducted in
12 accordance with AS 04.11.504 after an election in which the voters voted
13 "yes" on the question set out in (a) of this section, the board shall be
14 notified immediately after a certification of the results of the elec-
15 tion. As of midnight on the day the results of the election are certi-
16 fied, a beverage dispensary or package store license held by a city is
17 void and thereafter the prohibitions imposed under (b) of this section
18 on the issuance, renewal, or transfer of licenses between holders and
19 locations as a result of the earlier election are removed. If a package
20 store license is voided under this subsection, the holder of the package
21 store license shall be issued, upon application, a retail stock sale
22 license without payment of the retail stock sale licensee fee if he
23 fulfills all other requirements for the issuance of a retail stock sale
24 license.

25 Sec. 04.11.494. PROHIBITION OF POSSESSION AND IMPORTATION OF
26 ALCOHOLIC BEVERAGES. (a) The following question may be placed before
27 the voters of a first or second class city or an established village in
28 accordance with AS 04.11.504: "Shall the possession and importation of
29 alcoholic beverages be prohibited in(name of city or village)?

1 (yes or no)"

2 (b) If a majority of the voters vote "yes" on the question set out
3 in (a) of this section, a person, beginning on the first day of the
4 month following certification of the results of the election, may not
5 possess alcoholic beverages in the city or established village or know-
6 ingly send, transport, or bring alcoholic beverages into the city or
7 established village. The board shall be notified immediately after
8 certification of the results of the election and thereafter may not
9 issue, renew, or transfer between holders or locations a license for
10 licensed premises located within the boundaries or perimeter of a city
11 or established village or in an unincorporated area outside of but
12 within five miles of the boundaries of the city. As of midnight on the
13 day the results of the election are certified, licenses in effect within
14 the boundaries of a city and in an unincorporated area outside of but
15 within five miles of the boundaries of a city are void. If a package
16 store license is voided under this subsection, the holder of the package
17 store license shall be issued, upon application, a retail stock sale
18 license without the payment of the retail stock sale license fee if he
19 fulfills all other requirements for the issuance of a retail stock sale
20 license.

21 (c) If a majority of the voters vote "no" on the question set out
22 in (a) of this section or vote "yes" on the questions set out in AS 04.-
23 11.492 or 04.11.498 - 04.11.502 in an election conducted in accordance
24 with AS 04.11.504 after an election in which the voters voted "yes" on
25 the question set out in (a) of this section, the prohibition on the
26 possession and importation of alcoholic beverages and the prohibition on
27 the issuance, renewal, or transfers of licenses between holders and
28 locations, imposed as a result of the earlier election in which the
29 voters voted "yes" on the question set out in (a) of this section are

1 removed effective on the first day of the month following certification
2 of the results of the election.

3 Sec. 04.11.496. PROHIBITION OF IMPORTATION OF ALCOHOLIC BEVERAGES.

4 (a) The following question may be placed before the voters of a first
5 or second class city or an established village in accordance with AS 04.-
6 11.504: "Shall the importation of alcoholic beverages into (name
7 of city or village) be prohibited? (yes or no)"

8 (b) If a majority of the voters vote "yes" on the question set out
9 in (a) of this section, a person may not knowingly send, transport, or
10 bring alcoholic beverages into the city or established village, be-
11 ginning on the first day of the month following certification of the
12 results of the election. The board shall be notified immediately after
13 certification of the results of the election and thereafter may not
14 issue, renew, or transfer between holders or locations a license for
15 licensed premises located within the boundaries or perimeter of the city
16 or established village or in an unincorporated area outside of but
17 within five miles of the boundaries the city. If a package store license
18 may not be renewed under this subsection, the holder of the package
19 store license shall be issued, upon application, a retail stock sale
20 license without the payment of the retail stock sale license fee if he
21 fulfills all other requirements for the issuance of a retail stock sale
22 license.

23 (c) If a majority of the voters vote "no" on the question set out
24 in (a) of this section or vote "yes" on the question set out in AS 04.-
25 11.492, 04.11.498, or 04.11.502, in an election conducted in accordance
26 with AS 04.11.504 after an election in which the voter voted "yes" on
27 the question set out in (a) of this section, the prohibition on impor-
28 tation of alcoholic beverages and the prohibition on the issuance,
29 renewal, or transfer of licenses between holders and locations, imposed

1 as a result of the earlier election are removed effective the first day
2 of the month following certification of the results of the election.

3 Sec. 04.11.498. PROHIBITION OF IMPORTATION OF ALCOHOLIC BEVERAGES
4 EXCEPT DURING HOLIDAY PERIODS. (a) The following question, alone or
5 with the question set out under AS 04.11.500 if the same holiday periods
6 are listed on the ballot, or with one of the questions set out in AS 04.-
7 11.490, 04.11.492, or 04.11.500 if the same holiday periods are listed
8 on the ballot, or under AS 04.11.502, may be placed before the voters of
9 a first or second class city or an established village in accordance
10 with AS 04.11.504: "Shall the importation of alcoholic beverages into
11(name of city or village) be prohibited, except during
12 (listing of holiday periods during which the importation of alcoholic
13 beverages would be permitted if the measure passes)? (yes or no)"

14 (b) If a majority of the voters vote "yes" on the question set out
15 in (a) of this section, a person, except during the holiday periods
16 listed in the question, may not knowingly send, transport, or bring
17 alcoholic beverages into the city or established village, beginning on
18 the first day of the month following certification of the results of the
19 election. The board shall be notified immediately after certification
20 of the results of the election and thereafter may not issue, renew, or
21 transfer between holders or locations a license for licensed premises
22 located within the boundaries or perimeter of a city or established
23 village, or in an unincorporated area outside of but within five miles
24 of the boundaries of a city, unless the duration of the license is
25 limited to those periods listed on the ballot.

26 (c) If a majority of the voters vote "no" on the question set out
27 in (a) of this section or vote "yes" on the question set out in AS 04.-
28 11.494, 04.11.496, or 04.11.498 if different holiday periods are listed,
29 in an election conducted in accordance with AS 04.11.504 after an elec-

1 tion in which the voters voted "yes" on the question set out in (a) of
2 this section, the prohibition on importation of alcoholic beverages and
3 the prohibition on the issuance, renewal, or transfer of licenses be-
4 tween holders and locations imposed as a result of the earlier election
5 is removed effective on the first day of the month following certifica-
6 tion of the results of the election.

7 Sec. 04.11.500. PROHIBITION OF POSSESSION AND IMPORTATION OF
8 ALCOHOLIC BEVERAGES EXCEPT DURING HOLIDAY PERIODS. (a) The following
9 question, alone or with the questions set out under either AS 04.11.492
10 or 04.11.502, and 04.11.498 if the same holiday periods are listed on
11 the ballot, may be placed before the voters of a first or second class
12 city or an established village in accordance with AS 04.11.504: "Shall
13 the possession and importation of alcoholic beverages be prohibited in
14(name of city or village), except during (listing of holiday
15 periods during which the possession and importation of alcoholic bever-
16 ages would be permitted if the measure passes)? (yes or no)"

17 (b) IF a majority of the voters vote "yes" on the question set out
18 in (a) of this section, a person, except during the holiday periods
19 listed on the ballot, may not possess alcoholic beverages in the city or
20 established village or knowingly send, transport, or bring alcoholic
21 beverages into the city or established village, beginning on the first
22 day of the month following certification of the results of the election.
23 The board shall be notified immediately after certification of the
24 results of the election and thereafter may not issue, renew, or transfer
25 between holders or location a license for licensed premises located
26 within the boundaries or perimeter of a city or established village, or
27 in an unincorporated area outside of but within five miles of the boun-
28 daries of a city, unless the duration of the license is limited to the
29 holiday periods listed on the ballot. Beginning on the first day of the

1 month following certification of the results of the election, licenses
2 in effect within the boundaries or perimeter of the city or established
3 village, and in an unincorporated area outside but within five miles of
4 the boundaries of a city are effective only during the holiday periods
5 listed on the ballot. If a package store license is voided under this
6 subsection, the holder of the package store license shall be issued,
7 upon application, a retail stock sale license without payment of the
8 retail stock sale license fee if he fulfills all other requirements for
9 the issuance of a retail stock sale license.

10 (c) If a majority of the voters vote "no" on the question set out
11 in (a) of this section or vote "yes" on the question set out in AS 04.-
12 11.494, 04.11.496, or 04.11.498, and 04.11.500 if different holiday
13 periods are listed on the ballot in an election conducted in accordance
14 with AS 04.11.504 after an election in which the voters voted "yes" on
15 the question set out in (a) of this section, the prohibition on posses-
16 sion and importation of alcoholic beverages and the prohibition on the
17 issuance, renewal, or transfer of licenses between holders and locations
18 imposed as a result of the earlier election are removed effective on the
19 first day of the month following certification of the results of the
20 election.

21 Sec. 04.11.502. PROHIBITION OF THE SALE OF ALCOHOLIC BEVERAGES
22 EXCEPT BY SELECTED LICENSES. (a) The following question, alone or with
23 the questions set out in AS 04.11.498 and 04.11.500, may be placed
24 before the voters of a first or second class city or an established
25 village in accordance with AS 04.11.504: "Shall the sale of alcoholic
26 beverages be prohibited in(name of city or village) except by
27 (listing of the types of licenses which premises would be exempted
28 from the prohibition on the sale of liquor if the measure passes)? (yes
29 or no)"

1 (b) If a majority of the voters vote "yes" on the question set out
2 in (a) of this section, the board shall be notified immediately after
3 certification of the results of the election and thereafter may not
4 issue, renew, or transfer between holders or locations a license for
5 licensed premises located within the boundaries or perimeter of a city
6 or established village, or in an unincorporated area outside of but
7 within five miles of the boundaries of the city, except those types of
8 licenses listed on the ballot. As of midnight on the day the results of
9 the election are certified, licenses in effect within the boundaries or
10 perimeter of the city or established village, and in an unincorporated
11 area outside of but within five miles of the boundaries of a city,
12 except those types of licenses listed on the ballot, are void. If a
13 package store license is voided under this subsection, the holder of the
14 package store license shall be issued, upon application, a retail stock
15 sale license without the payment of the retail stock sale license fee if
16 he fulfills all other requirements for the issuance of a retail stock
17 sale license.

18 (c) If a majority of the voters vote "no" on the question set out
19 in (a) of this section or vote "yes" on the questions set out in AS 04.-
20 11.490 - 04.11.496 or 04.11.502 if different types of licenses are
21 listed on the ballot in an election conducted in accordance with AS 04.-
22 11.504 after an election in which the voters voted "yes" on the question
23 set out in (a) of this section, the board shall be notified immediately
24 after certification of the results of the election. As of midnight on
25 the date the results of the election are certified, licenses in effect
26 in the city or established village which were excepted from the prohibi-
27 tion on sale in accordance with the results of the earlier election are
28 void. Thereafter the board may not issue, renew, or transfer between
29 holders or locations a license for licensed premises located within the

1 boundaries or perimeter of the city or established village, or in an
2 unincorporated area outside of but within five miles of the boundaries
3 of a city, except a license which may be issued to a first or second
4 class city or to one of the types of licenses listed on the ballot as a
5 result of a majority of the voters voting "yes" on the question set out
6 in AS 04.11.492 or this section.

7 Sec. 04.11.504. PROCEDURE FOR LOCAL OPTION ELECTIONS. (a) The
8 city council of a first or second class city, whenever a number of
9 registered voters equal to at least 35 percent of the number of votes
10 cast at the last regular city election petition the city council to do
11 so, shall place upon a separate ballot at the next regular election
12 whichever question or combination of questions set out in AS 04.11.490 -
13 04.11.502 constitute the subject of the petition. The votes shall be
14 canvassed in accordance with election ordinances adopted under AS 29.28.-
15 010 and the vote certified.

16 (b) The lieutenant governor, whenever 35 percent of the registered
17 voters residing within an established village petition the lieutenant
18 governor to do so, shall place upon a separate ballot at a special
19 election that question or combination of questions set out in AS 04.11.-
20 490, or 04.11.494 - 04.11.502 which constitutes the subject of the
21 petition. The lieutenant governor shall conduct the election in the
22 general manner prescribed by the Alaska Election Code (AS 15.05 - 15.60).

23 Sec. 04.11.506. REINSTATEMENT OF LICENSES. If a prohibition
24 imposed on the issuance, renewal, or transfer of licenses between holders
25 and locations under AS 04.11.490 - 04.11.502 is removed by a vote of
26 "no" on a question for which the majority of the people voted "yes" in
27 an earlier election, the board shall, upon application, issue the same
28 number and type of licenses which were in effect in the city or estab-
29 lished village on the date of certification of the earlier election. If

1 the prohibition imposed on issuance, renewal, or transfer of licenses
2 between holders and locations is removed by a "yes" vote on a question
3 set out in AS 04.11.490 - 04.11.502, the board may issue the types of
4 licenses specified in the question presented to the voters in the sub-
5 sequent election. Licenses may be issued for the same or other premises
6 within the city or established village which were licensed on the date
7 of certification of the earlier election. In issuing licenses, the
8 board shall accord priority to those applicants who held licenses which
9 were voided on the date of certification of the earlier election. The
10 director of the board shall notify persons who held licenses in the city
11 or village on the date of certification of the earlier election of their
12 priority under this section.

13 Sec. 04.11.508. NOTICE OF THE RESULTS OF A LOCAL OPTION ELECTION.

14 (a) If a majority of the voters vote "yes" on a question set out in
15 AS 04.11.490 - 04.11.502, the board shall immediately notify the Depart-
16 ment of Law and the Department of Public Safety of the results of the
17 election.

18 (b) If a majority of the voters vote "yes" on a question set out
19 in AS 04.11.494 - 04.11.500, the following actions, in addition to those
20 prescribed in (a) of this section, shall be undertaken before the date
21 the prohibition on importation or possession becomes effective:

22 (1) the board shall notify by registered mail all licensees
23 of the prohibition;

24 (2) the first or second class city or established village
25 shall post notice of the prohibition in the city or village.

26 ARTICLE 7. BOARD PROCEDURES.

27 Sec. 04.11.510. PROCEDURE FOR ACTION ON LICENSE APPLICATIONS,
28 SUSPENSIONS, AND REVOCATIONS. (a) Unless a legal action relating to
29 the license, applicant or premises to be licensed is pending, the board

1 shall decide whether to grant or deny an application within 90 days of
2 receipt of the application at the main office of the board. However,
3 the decision may not be made before the 30 days allowed for protest
4 under AS 04.11.480 have elapsed unless received by the municipality.

5 (b) The board may review an application for the issuance, renewal,
6 transfer of location, or transfer to another person, of a license with-
7 out affording the applicant notice or hearing, except

8 (1) if an application is denied, the notice of denial shall
9 be furnished the applicant immediately in writing stating the reason for
10 the denial in clear and concise language; the notice of denial shall
11 inform the applicant that he is entitled to an informal conference with
12 either the director or the board, and that, if not satisfied by the
13 informal conference, he is then entitled to a formal hearing before the
14 board; if the applicant requests a formal hearing, the board shall
15 adhere to AS 44.62.330 - 44.62.630; all interested persons may be heard
16 at the hearing and unless waived by the applicant and the board, the
17 formal hearing shall be held in the area for which the application is
18 requested;

19 (2) the board may, on its own initiative or in response to an
20 objection or protest, hold a hearing to ascertain the reaction of the
21 public or a local governing body to an application if a hearing is not
22 required under (1), (3), or (4) or this subsection;

23 (3) if a petition containing the signatures of 35 percent of
24 the adult residents having a permanent place of abode outside of but
25 within two miles of an incorporated city or an established village is
26 filed with the board, the board shall hold a public hearing on the
27 question of whether the issuance, renewal, or transfer of the license in
28 the city or village would be in the public interest;

29 (4) if a protest to the issuance, renewal, transfer of loca-

1 tion or transfer to another person of a license made by a local govern-
2 ing body is based on a question of law, the board shall hold a public
3 hearing.

4 (c) Unless the grounds for the suspension or revocation are under
5 AS 04.11.370(4), board proceedings to suspend or revoke a license shall
6 be conducted in accordance with AS 44.62.330 - 44.62.630 (Administrative
7 Procedure Act), except that the licensee is entitled to an opportunity
8 to informally confer with the director or the board within 10 days after
9 the accusation is served upon him. Notice of the opportunity for an
10 informal conference shall be served upon the licensee along with the
11 accusation. If an informal conference is requested, the running of the
12 period of time specified in AS 44.62.380 for filing a notice of defense
13 is tolled from the date of receipt of the request for the conference
14 until the day following the date of the conference unless extended by
15 the board. After the conference, the licensee, if not satisfied by the
16 results of the conference, may obtain a hearing by filing a notice of
17 defense as provided in AS 44.62.390. If the grounds for suspension or
18 revocation are under AS 04.11.370(4), the licensee is not entitled to
19 notice and hearing under AS 44.62.330 - 44.62.630 on the merits of the
20 suspension or revocation. However, the board shall afford the licensee
21 notice and hearing on the issue of what administrative sanction to
22 impose under AS 04.16.160.

23 Sec. 04.11.520. NOTICE. After receipt of an application from
24 within (1) an established village, (2) an incorporated city, (3) an
25 organized borough, or (4) a unified municipality, the board shall trans-
26 mit written notice to the local governing body within 10 days so that
27 the local governing body may protest under AS 04.11.480.

28 Sec. 04.11.530. CONSIDERATION OF REPORTS. A license may not be
29 suspended or revoked under AS 04.11.370(4) unless the board considers

1 the reports prepared by arresting and investigating officers and the
2 sentencing report sent to the board under AS 12.55.025(b).

3 Sec. 04.11.535. SUSPENSION AND REVOCATION BASED ON ACTS OF EM-
4 PLOYEES. (a) In a proceeding to suspend or revoke a license under
5 AS 04.11.370(5), the board may consider a sentencing report sent to the
6 board under AS 12.55.025(b) or reports prepared by the investigating or
7 arresting officers in connection with the violation which contain infor-
8 mation which if uncontradicted or unexplained would provide a ground for
9 suspension or revocation under AS 04.11.370(5).

10 (b) If the board suspends or revokes a license on grounds that a
11 licensee knowingly allowed or recklessly or with criminal negligence
12 failed to act in accordance with the duty prescribed under AS 04.21.030
13 resulting in unlawful action of an agent or employee, the board shall
14 file a criminal complaint charging the licensee with violation of AS
15 04.16.150.

16 Sec. 04.11.537. APPLICATION OF PRECEDENT. In determining whether
17 issuance, renewal, transfer, suspension, or revocation of a license is
18 in the best interests of the public, the board need not conform to or
19 distinguish its decision from any action it has taken in the past on
20 applications presenting similar facts, but may instead base its decision
21 only on the particular facts before it.

22 ARTICLE 8. EXPIRATION OF LICENSES.

23 Sec. 04.11.540. LICENSE RENEWAL AND EXPIRATION. Notwithstanding
24 AS 04.11.680, an application for renewal of a license issued for the
25 calendar year ending December 31 or issued for a six-month period ending
26 in the previous year may be submitted up until the next February 28 but
27 the authority granted under the license may not be exercised until the
28 license is renewed. If the application for renewal and applicable
29 affidavits have not been filed by February 28 or the required fees and

1 the penalty fees have not been paid by that date, the license expires at
2 12:00 midnight February 28. A new license may not be issued to the
3 holder of an expired license for the same premises except on proof
4 satisfactory to the board of good cause for the failure to file and pay.

5 Sec. 04.11.550. NOTICE OF EXPIRATION. On or before February 15,
6 the director shall mail a notice of expiration to each licensee who has
7 not either (1) filed an application to renew his license, along with any
8 applicable affidavits and all fees due, or (2) notified the director of
9 his intent not to do so. Failure of the director to mail this notice of
10 expiration does not waive the requirement that the application for
11 renewal be filed by February 28.

12 ARTICLE 9. MISCELLANEOUS PROVISIONS.

13 Sec. 04.11.560. APPEALS. (a) An action of an officer, employee
14 or agent of the board relating to the administration or enforcement of
15 this title may be appealed to the board by the aggrieved party.

16 (b) A decision by the board relating to the issuance, renewal,
17 transfer, suspension, or revocation of a license under this title may be
18 appealed to the superior court under AS 44.62.560.

19 Sec. 04.11.570. REFUND AND FORFEITURE OF FEES. (a) If an appli-
20 cation for a license is denied, the board shall refund the license fee
21 less the application fee.

22 (b) A license fee may not be refunded after the license has been
23 issued unless the board determines it has erred in the issuance through
24 no fault of the applicant.

25 (c) If a license is revoked on grounds that statements made in the
26 application are untrue, the license fee paid by the applicant is for-
27 feited to the state.

28 Sec. 04.11.580. SURRENDER OR DESTRUCTION OF LICENSE. (a) A
29 license issued under this title shall, if the board so directs, be sur-

1 rendered on demand to a peace officer, agent, or officer of the board.

2 (b) The licensee shall surrender his current license to the board
3 within 10 days after the loss or vacation of his licensed premises.

4 (c) If the license is destroyed, the licensee shall so notify the
5 board.

6 Sec. 04.11.590. DISPOSITION OF FUNDS. (a) Money collected from
7 licenses under this title shall be transferred by the board to the
8 Department of Revenue and deposited in the general fund.

9 (b) A fee prescribed by the board in addition to fees authorized
10 under this title shall be transferred to the Department of Revenue and
11 deposited in the general fund.

12 Sec. 04.11.610. REFUND TO MUNICIPALITIES. (a) Annual license
13 fees, excluding annual wholesale license fees, collected within a mu-
14 nicipality shall be refunded semi-annually to the municipality.

15 (b) If the officers of a municipality fail to actively enforce
16 local ordinances, laws of the United States and the state, and the
17 regulations relating to the manufacture and sale of alcoholic beverages
18 in the state, the commissioner of revenue may deny the refund provided
19 for under (a) of this section until the board finds the enforcement of
20 the ordinances, laws and regulations is resumed.

21 (c) The Department of Revenue shall recover any amounts errone-
22 ously refunded under (a) of this section. The Department of Revenue
23 shall schedule repayments of erroneously refunded amounts over a suffi-
24 cient period of time to minimize financial hardship to the municipality
25 involved.

26 Sec. 04.11.630. ACCESSIBILITY OF LICENSE AND LICENSED PREMISES TO
27 INSPECTION. (a) A licensee shall, upon request, make his licensed pre-
28 mises and places authorized for storage under AS 04.21.060 available for
29 inspection by officers charged with the enforcement of this title,

1 including members of the board and the director or his employee, during
2 all regular business hours.

3 (b) A license issued under this title shall be posted within the
4 licensed premises so as to be easily available for inspection upon
5 request by a peace officer or other person during regular business
6 hours.

7 Sec. 04.11.660. LICENSE A PRIVILEGE. (a) A license issued under
8 this title is a personal privilege, not a property right.

9 (b) The privilege conferred upon the licensee is personal in
10 nature and affords protection to the licensee only.

11 Sec. 04.11.670. FORECLOSURE. A license issued under this title is
12 not subject to foreclosure, and may not be used as collateral to secure
13 a debt. However, if a license is transferred to another person, the
14 transferor may secure payment for real and personal property conveyed to
15 the transferee upon the promise of the transferee to transfer the license
16 back to the transferor upon default in payment.

17 Sec. 04.11.680. DURATION OF LICENSES AND PERMITS. (a) Upon
18 application and payment of one-half of the annual fee, the board may
19 issue a license under this title which will be effective for a continuous
20 six-month period. Otherwise, all licenses issued under this title other
21 than a retail stock sale license shall be effective for the calendar
22 year ending December 31, unless a shorter period is prescribed by the
23 board or required as a result of a local option election on questions
24 set out in AS 04.11.498 and 04.11.500.

25 (b) A permit issued under this title shall be for the period
26 prescribed by the board, which period shall be clearly designated on the
27 permit.

28 Sec. 04.11.690. DISCOURAGEMENT OF MONOPOLIES. (a) In a general
29 sense, it is against the public interest that the issuance, renewal or

1 transfer of licenses issued under this title will create, or assist in
2 the creation of, a monopoly.

3 (b) The board may submit proposals to the governor and the legis-
4 lature addressed to the discouragement of the creation of monopolies.

5 (c) The board may not by regulation adopt a definition of a mono-
6 poly.

7 Sec. 04.11.700. REFUSAL OF SERVICE. A licensee, his agent, or
8 employee may refuse to sell, give, or serve alcoholic beverages to a
9 person if the licensee, his agent, or employee reasonably believes that
10 the consumption of alcohol by that person may result in serious harm to
11 that person or to others.

12 * Sec. 3. AS 04 is amended by adding a new chapter to read:

13 CHAPTER 16. REGULATION OF SALES AND DISTRIBUTION.

14 ARTICLE 1. PROHIBITED ACTS.

15 Sec. 04.16.010. HOURS OF SALE AND PRESENCE ON LICENSED PREMISES
16 (STANDARD CLOSING HOURS). (a) A person may not sell, offer for sale,
17 give, furnish, deliver or consume an alcoholic beverage on premises
18 licensed under this title between the hours of 5:00 a.m. and 8:00 a.m.
19 each day.

20 (b) A licensee, his agent, or employee may not permit a person to
21 consume alcoholic beverages on the licensed premises between the hours
22 of 5:00 a.m. and 8:00 a.m. each day.

23 (c) A licensee, his agent, or employee may not permit a person to
24 and a person may not enter premises licensed under this title between
25 the hours of 5:00 a.m. and 8:00 a.m. each day. This subsection does not
26 apply to common carriers, as defined in AS 42.10.420(2), or to an em-
27 ployee of the licensee who is on the premises to prepare for the next
28 day's business or to persons remaining on the premises of a restaurant
29 or eating place licensed under this title to consume food or nonalco-

1 holic beverages.

2 (d) A municipality may provide for additional hours of closure
3 under AS 04.21.010.

4 Sec. 04.16.020. SOLICITATION OF ALCOHOLIC BEVERAGES. (a) A
5 person may not pay or receive from another a salary, percentage or
6 commission to solicit or encourage a patron of licensed premises to
7 purchase alcoholic or other beverages for consumption by a person other
8 than the patron.

9 (b) A licensee, his agent, or employee may not knowingly permit a
10 person to loiter within or about premises licensed under this title for
11 the purpose of begging or soliciting a patron or visitor to purchase
12 alcoholic or other beverages for the person who is begging or solicit-
13 ing.

14 Sec. 04.16.030. SALE OR DISPOSITION OF ALCOHOLIC BEVERAGES TO
15 INTOXICATED PERSONS. A licensee, his agent, or employee may not with
16 criminal negligence

17 (1) sell, give, or barter alcoholic beverages to an intoxi-
18 cated person;

19 (2) allow another person to sell, give, or barter an alco-
20 holic beverage to an intoxicated person within a licensed premises;

21 (3) allow an intoxicated person to enter and remain within
22 licensed premises or to consume an alcoholic beverage within a licensed
23 premises;

24 (4) permit an intoxicated person to sell or serve alcoholic
25 beverages.

26 Sec. 04.16.040. ACCESS OF INTOXICATED PERSONS TO LICENSED PREMISES.
27 An intoxicated person may not knowingly enter or remain on premises
28 licensed under this title.

29 Sec. 04.16.041. OBLIGATION TO ENFORCE RESTRICTIONS IN LICENSED

1 PREMISES. A licensee, his agent or employee may not permit the consump-
2 tion of alcoholic beverages by any person within licensed premises
3 unless it is permitted by the license.

4 Sec. 04.16.049. ACCESS OF PERSONS UNDER THE AGE OF 19 TO LICENSED
5 PREMISES. (a) A person under the age of 19 years may not knowingly
6 enter or remain in premises licensed under this title unless

7 (1) accompanied by a parent, guardian or spouse who has at-
8 tained the age of 19 years;

9 (2) accompanied by a person over the age of 19 years and with
10 the consent of the person's parent or guardian if the premises are
11 licensed as a restaurant or eating place and the persons enter and
12 remain only for dining.

13 (b) Notwithstanding (a) of this section, a licensee, his agent, or
14 employee may refuse entry to a person under the age of 19 years to that
15 part of licensed premises in which alcoholic beverages are sold, served
16 or consumed, may refuse service to a person under the age of 19 years,
17 or may require a person under the age of 19 years to leave the portion
18 of the licensed premises in which alcoholic beverages are sold, served,
19 or consumed.

20 (c) Notwithstanding this section, a person between 16 and 19 years
21 of age may enter and remain within the licensed premises of a hotel,
22 restaurant, or eating place in the course of his employment if (1) the
23 employment does not involve the serving, mixing, delivering, or dis-
24 pensing of alcoholic beverages; (2) the person has the written consent
25 of a parent or guardian; and (3) an exemption from the prohibition of
26 AS 23.10.355 is granted by the Department of Labor. The board, with the
27 approval of the governing body having jurisdiction and at the licensee's
28 request, shall designate which premises are hotels, restaurants or
29 eating places for the purposes of this subsection.

1 Sec. 04.16.050. POSSESSION OR CONSUMPTION BY PERSONS UNDER THE AGE
2 OF 19. A person under the age of 19 years may not knowingly consume,
3 possess, or control alcoholic beverages except those furnished persons
4 under AS 04.16.051(b).

5 Sec. 04.16.051. FURNISHING OF ALCOHOLIC BEVERAGES TO PERSONS UNDER
6 THE AGE OF 19. (a) A person may not knowingly furnish an alcoholic
7 beverage to a person under the age of 19 years.

8 (b) This section does not prohibit the furnishing of an alcoholic
9 beverage

10 (1) by a parent to his child, by a guardian to his ward, or
11 by a spouse to his or her legal spouse if the furnishing occurs off
12 licensed premises; or

13 (2) by a licensed physician or nurse to a patient in the
14 course of administering medical treatment.

15 (c) Acts unlawful under AS 11.51.130 are not made legal by (b) of
16 this section.

17 Sec. 04.16.052. FURNISHING OF ALCOHOLIC BEVERAGES TO PERSONS UNDER
18 THE AGE OF 19 BY LICENSEES. A licensee, his agent, or employee may not
19 with criminal negligence

20 (1) allow another person to sell, barter, or give an alco-
21 holic beverage to a person under the age of 19 years within a licensed
22 premises;

23 (2) allow a person under the age of 19 years to enter and
24 remain within licensed premises except as provided in AS 04.16.049(c);

25 (3) allow a person under the age of 19 years to consume an
26 alcoholic beverage within a licensed premises;

27 (4) allow a person under the age of 19 years to sell or serve
28 alcoholic beverages.

29 Sec. 04.16.060. PURCHASE BY PERSONS UNDER THE AGE OF 19. (a) A

1 person under the age of 19 years may not purchase alcoholic beverages or
2 solicit another to purchase alcoholic beverages on his behalf.

3 (b) A person may not influence the sale, gift, or service of an
4 alcoholic beverage to a person under the age of 19 years, by misrepresenting
5 the age of that person.

6 (c) A person may not order or receive an alcoholic beverage from a
7 licensee, his agent, employee, or another person, for the purpose of
8 selling, giving, or serving it to a person under the age of 19 years.

9 (d) A person under the age of 19 years may not enter licensed
10 premises where alcoholic beverages are sold and offer or present to a
11 licensee, his agent, or employee a birth certificate or other written
12 evidence of age, which is fraudulent or false or which is not actually
13 his own, or otherwise misrepresent his age, for the purpose of inducing
14 the licensee, his agent, or employee to sell, give, serve, or furnish
15 alcoholic beverages contrary to law.

16 (e) A person who has attained the age of 19 years accompanying a
17 person under the age of 19 who is seeking to enter and remain in a
18 licensed premises under AS 04.16.049(a)(2) may not misrepresent having
19 obtained the consent of the parent or guardian of the person under the
20 age of 19 years.

21 Sec. 04.16.080. SALES OR CONSUMPTION AT SCHOOL EVENTS. It is
22 unlawful to sell or consume alcoholic beverages during a school event at
23 the site of the event.

24 Sec. 04.16.090. PROHIBITION OF BOTTLE CLUBS. (a) A person may
25 not maintain a place in which alcoholic beverages are received or kept,
26 or to which alcoholic beverages are brought, for consumption by members
27 of the public or by members of a club, corporation, or association,
28 unless the person is authorized to do so under this title.

29 (b) A person may not maintain, operate, or lease premises for the

1 purpose of providing, for a consideration, a place for drinking alco-
2 holic beverages by members of the public or other persons, unless the
3 person is authorized to do so under this title.

4 (c) For the purposes of this section, "consideration" includes but
5 is not limited to cover charge, the sale of food, ice, mixers, or other
6 liquids used with alcoholic beverage drinks, or the furnishing of glass-
7 ware or other containers for use in the consumption of alcoholic bever-
8 ages.

9 Sec. 04.16.100. RESTRICTION ON SIZE OF CONTAINERS. A person may
10 not sell alcoholic beverages in 1/6 gallon or 1/10 gallon containers,
11 nor may a person sell alcoholic beverages in a container deceptively
12 similar in appearance to a container of a different volume.

13 Sec. 04.16.110. SALE OF POWDERED ALCOHOL PROHIBITED. No substance
14 having alcoholic content and intended for human consumption may be sold
15 in the state unless in liquid form.

16 Sec. 04.16.120. REMOVAL OR INTRODUCTION OF ALCOHOLIC BEVERAGES.

17 (a) A person may not remove from a licensed premises alcoholic bever-
18 ages which have been sold or furnished for consumption only on the
19 premises.

20 (b) A person may not bring an alcoholic beverage into licensed
21 premises for use or consumption by himself or another person on the
22 premises unless that person is a licensee, his agent, employee, or
23 common carrier in the regular course of employment.

24 Sec. 04.16.130. STOCK CONFINED TO LICENSED PREMISES. (a) Unless
25 authorized under AS 04.21.060, a licensee may not store before sale any
26 alcoholic beverages elsewhere than on the premises indicated on his
27 license.

28 (b) This section does not apply to stocks of beer carried on a
29 delivery truck by a licensed wholesaler if carried for the purpose of

1 sale and delivery to persons licensed under this title in quantities of
2 not less than 10 wine gallons for each sale.

3 Sec. 04.16.140. SALE OR CONSUMPTION OF ALCOHOLIC BEVERAGES IN A
4 WAREHOUSE. Alcoholic beverages may not be sold or consumed on premises
5 approved for storage under AS 04.21.060.

6 Sec. 04.16.150. LICENSEE RESPONSIBLE FOR VIOLATIONS. A licensee
7 may neither knowingly allow his agents or employees to violate this
8 title or regulations adopted under this title nor recklessly or with
9 criminal negligence fail to act in accordance with the duty prescribed
10 under AS 04.21.030 with the result that an agent or employee of the
11 licensee violates a law or regulation.

12 Sec. 04.16.170. SOURCE OF ALCOHOLIC BEVERAGES. (a) Alcoholic
13 beverages for consumption by the purchaser may not be sold unless ob-
14 tained from a person licensed under this title.

15 (b) A person transporting alcoholic beverages into the state may
16 not sell those alcoholic beverages to a person not licensed under this
17 title, unless the alcoholic beverages are used for religious, industrial,
18 pharmaceutical, or medical purposes.

19 Sec. 04.16.175. FURNISHING ALCOHOLIC BEVERAGES IN AID OF GAMBLING
20 ENTERPRISE. An agent or employee of a gambling enterprise as defined by
21 AS 11.66.280(4) may not furnish an alcoholic beverage to a player as
22 defined by AS 11.66.280(6).

23 ARTICLE 2. PENALTIES AND FORFEITURES.

24 Sec. 04.16.180. PENALTIES FOR VIOLATION. (a) Except as provided
25 in AS 04.16.200 - 04.16.210, a person who violates a provision of this
26 title or a regulation adopted by the board is guilty, upon conviction,
27 of a class A misdemeanor. Each violation is a separate offense.

28 (b) A suspension or revocation of a license ordered by the board
29 under AS 04.11.370(4) and (5) shall be as follows:

1 (1) On first conviction: the license of the premises involved
2 may not be revoked, but may be suspended for not more than 45 days.

3 (2) On second conviction: the license of the premises in-
4 volved may not be revoked, but may be suspended for not more than 90
5 days.

6 (3) On third conviction: the license of the premises involved
7 may be suspended or revoked.

8 (c) In this section, the terms "second conviction" and "third
9 conviction" include only convictions for violations which occur within
10 five years of the first conviction. The terms refer to the cumulative
11 number of convictions of a licensee of any combination of violations of
12 the provisions of this title, regulations adopted under this title, or
13 ordinances adopted under AS 04.21.010. The terms "second conviction"
14 and "third conviction" include a conviction of the agent or employee of
15 a licensee of a violation of a law, regulation, or ordinance if the
16 conviction constitutes a ground for suspension or revocation under
17 AS 04.11.370(5).

18 (d) This section does not affect the authority of the board to
19 suspend or revoke a license when the board determines that continuance
20 of activities under a license would not be in the best interests of the
21 public.

22 Sec. 04.16.200. UNLICENSED PERSONS. (a) A person who violates
23 AS 04.11.010 is, upon conviction, guilty of a class A misdemeanor.

24 (b) A person who violates AS 04.11.010 in an area where the re-
25 sults of a local option election have, under AS 04.11.490 - 04.11.502,
26 prohibited the board from issuing, renewing, or transferring any licenses
27 or permits under this title in the area is, upon conviction, guilty of a
28 class C felony, if

29 (1) he has previously been convicted of a violation of AS 04.-

1 11.010;

2 (2) the sale or offer for sale was made to a person under 19
3 years of age; or

4 (3) the quantity of alcoholic beverages sold or offered for
5 sale is 12 liters or more of distilled spirits, 24 liters or more of
6 wine, or 45 liters or more of malt beverages.

7 (c) It is an affirmative defense to a prosecution under (a) of
8 this section that no profit was involved in the solicitation or receipt
9 of an order for the delivery of an alcoholic beverage.

10 (d) Upon conviction of a person of a violation under (a) of this
11 section, the court shall impose a minimum sentence of imprisonment of
12 not less than 10 consecutive days. The execution of the sentence may
13 not be suspended and probation or parole may not be granted until the
14 minimum imprisonment provided in this subsection has been served.
15 Imposition of sentence may not be suspended except upon the condition
16 that the defendant be imprisoned for no less than the minimum period
17 provided in this subsection.

18 (e) A person who possesses alcoholic beverages in violation of
19 AS 04.11.494(b) and 04.11.500(b) is, upon conviction, guilty of a class B
20 misdemeanor.

21 (f) A person who sends, transports, or brings alcoholic beverages
22 into a city or established village in violation of AS 04.11.496 or
23 04.11.498 is, upon conviction,

24 (1) guilty of a class A misdemeanor if the quantity imported
25 is less than 12 liters of distilled spirits, 24 liters of wine, or 45
26 liters of malt beverages; or

27 (2) guilty of a class C felony if the quantity imported is 12
28 liters or more of distilled spirits, 24 liters or more of wine, or 45
29 liters or more of malt beverages.

1 Sec. 04.16.210. PENALTY FOR MAKING FALSE STATEMENT. If a false
2 statement is made in an application under AS 04.11.260, the applicant is
3 guilty of perjury and, upon conviction, is subject to the penalty pro-
4 vided by law for the crime of perjury under AS 11.56.200.

5 Sec. 04.16.220. FORFEITURES. (a) The following are subject to
6 forfeiture:

7 (1) alcoholic beverages manufactured, sold, offered for sale
8 or possessed for sale, bartered or exchanged for goods and services in
9 this state in violation of AS 04.11.010; alcoholic beverages stocked,
10 warehoused, or otherwise stored in violation of AS 04.21.060; alcoholic
11 beverages sold or offered for sale in an area where the results of a
12 local option election have, under AS 04.11.490 - 04.11.502, prohibited
13 the board from issuing, renewing, or transferring any licenses or permits
14 under this title in the area; alcoholic beverages transported into the
15 state and sold to persons not licensed under this chapter in violation
16 of AS 04.16.170(b);

17 (2) materials and equipment used in the manufacture, sale,
18 offering for sale, possession for sale, barter or exchange of alcoholic
19 beverages for goods and services in this state in violation of AS 04.11.-
20 010; materials and equipment used in the stocking, warehousing, or
21 storage of alcoholic beverages in violation of AS 04.21.060; materials
22 and equipment used in the sale or offering for sale of an alcoholic
23 beverage in an area where the results of a local option election have,
24 under AS 04.11.490 - 04.11.502, prohibited the board from issuing,
25 renewing, or transferring any licenses or permits under this title in
26 the area;

27 (3) aircraft, vehicles, or vessels used to transport, or
28 facilitate the transportation of

29 (A) alcoholic beverages manufactured, sold, offered for

1 sale or possessed for sale, bartered or exchanged for goods and
2 services in this state in violation of AS 04.11.010;

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

5 (C) alcoholic beverages imported or possessed in a city
6 or established village in violation of AS 04.11.494(b) and 04.11.-
7 500(b);

8 (D) alcoholic beverages transported or imported into a
9 city or established village in violation of AS 04.11.496 and
10 04.11.498;

11 (4) alcoholic beverages found on licensed premises which do
12 not bear federal excise stamps if excise stamps are required under
13 federal law;

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

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

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

24 (2) the property subject to seizure is the subject of a prior
25 judgment in favor of the state; or

26 (3) there is probable cause to believe that the property is
27 subject to forfeiture under (a) of this section; property seized under
28 this paragraph may not be held over 48 hours or until an order of for-
29 feiture is issued by the court, whichever is earlier.