

ALASKA LEGISLATURE COMMITTEE BILL FILES - 1987 - 1988 8879

CSSB 276 thru SB 285

92

C S S B

2 7 6

HOUSE COMMITTEE REPORT

(11)

Date referred: 4/28/88

FURTHER REFERRALS:

DATE: 5-3-88

The Finance Committee has considered CSSB 276(Fin)

"An Act relating to brewpub, brewery, and beverage dispensary liquor licenses; and to prohibited financial interests in a licensed liquor business; and providing for an effective date."

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published 3/28/88 (Senate)
- zero with analysis

SIGNING DO PASS:

Adams [Signature]

Pourchet [Signature]

Larson [Signature]

Gott [Signature]

Swack [Signature]

Boyer [Signature]

Rieger [Signature]

Frank [Signature]

Wallis [Signature]

Brown [Signature]

Davis [Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature]
Chairman's signature

FISCAL NOTE

REQUEST:

Revision Date: 2/19/88
Title: An Act Relating to Issuance of a Brewery License
Sponsor: Senator Fahrenkamp
Requestor: Senate Finance

Agency Affected: Revenue
BRU: Alcoholic Beverage Control Board
Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary) Though the bill would establish a license fee of \$250.00 (and require a \$100.00 application fee) it is not possible to estimate its potential revenues. It should be noted that whatever revenues are generated from the new license fee 100% would be shared back to the communities within which the revenues are derived.

Prepared By: Royce Weller Phone: 465-2300
Division: Commissioner's Office Date: February 19, 1988
Approved by Commissioner: Hugh Malone Date: February 19, 1988
Agency: Department of Revenue

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

FEB 24 1988

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CS SB-276

PUBLISH DATE: 2-3-88

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Environmental Conservation
 Title: An Act relating to brewpub, brewery, and beverage dispensary liquor licenses;* BRU: Environmental Health
 Sponsor: Bettye Fahrenkamp Components: Sanitation
 Requestor: Senate Finance

* and to prohibit financial interest in a licensed liquor business.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Passage of this legislation will not have a significant fiscal impact on the public facility inspection program.

Prepared by: Douglas C. Donegan

Phone: 465-2609

Division: Environmental Health

Date: 2-22-88

Approved by Commissioner: Dennis D. Kelso *ADK/klh*

Date: 2/23/88

Agency: Environmental Conservation

Distribution (by preparer):

Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impact: Agency(ies)

Original sponsor: Fahrenkamp

1 IN THE SENATE BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 276 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to brewpub, brewery, and beverage
7 dispensary liquor licenses; and to prohibited finan-
8 cial interests in a licensed liquor business; and
9 providing for an effective date."

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

11 * Section 1. AS 04.11.080 is amended by adding a new paragraph to read:
12 (20) brewpub license.

13 * Sec. 2. AS 04.11.130(b) is amended to read:

14 (b) A brewery license authorizes the holder to sell beer in
15 quantities of more than five [WINE] gallons to persons licensed to
16 sell beer under this title, or in another state or country.

17 * Sec. 3. AS 04.11 is amended by adding a new section to read:

18 Sec. 04.11.135. BREWPUB LICENSE. (a) A brewpub license author-
19 izes the holder of a beverage dispensary license to

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

23 (2) sell beer manufactured on premises licensed under the
24 beverage dispensary license for consumption only on the licensed
25 premises.

26 (b) Except as provided under AS 04.11.360(12), the brewpub
27 license is not transferable, shall remain the property of the state,
28 and is not subject to any form of alienation.

29 (c) The annual brewpub license fee is \$250.

1 * Sec. 4. AS 04.11.360 is amended by adding a new paragraph to read:

2 (12) the license was issued under AS 04.11.135, unless the
3 transferor is also applying to transfer the beverage dispensary li-
4 cense required under AS 04.11.135 to the same transferee.

5 * Sec. 5. AS 04.11.450(b) is amended to read:

6 (b) A person who is a representative or owner of a wholesale
7 business, brewery, winery, bottling works, or distillery may not be
8 issued, solely or together with others, a beverage dispensary license
9 or package store license. A holder of a beverage dispensary license
10 may be issued a brewpub license, subject to the provisions of AS 04.-
11 11.135.

12 * Sec. 6. AS 04.11.450(c) is amended to read:

13 (c) In this section, "direct or indirect financial interest"
14 means holding a legal or equitable interest in the operation of a
15 business licensed under this title. However, credit extended by a
16 distiller, a brewery, or a winery to a wholesaler, or credit extended
17 by a wholesaler to persons licensed under this title, or a consulting
18 fee received from a person licensed under this title, is not consid-
19 ered a financial interest in a business licensed under this title.

20 * Sec. 7. This Act takes effect immediately under AS 01.10.070(c).

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, LEGISLATIVE COUNCIL
CHAIRMAN, OIL AND GAS COMMITTEE
515 7TH AVENUE, SUITE 130
FAIRBANKS, ALASKA 99701
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WHILE IN JUNEAU
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Senate

MEMORANDUM

TO: House Judiciary Committee

FROM: Senator Bettye Fahrenkamp

DATE: April 22, 1988

RE: CSSB 276 (Fin) An Act relating to the brewpub, brewery, and beverage dispensary liquor licenses; and to prohibited financial interests in a licensed liquor business; and providing for an effective date.

INTRODUCTION

If this bill passes, a new industry would be fostered in Alaska, i.e. brewpubs which are growing in number in other states. A brewpub is the industry term for an establishment that consists of a bar and/or restaurant and a brewery.

WHAT THE BILL DOES

There is an interest by holders of beverage dispensary licenses to be able to brew their own beer on the premises for sale to their patrons to be consumed on the premises only.

This bill would create a new type of license to provide clear authority to the ABC and give them specific conditions under which they would be able to issue these new "brewpub" licenses. Production is limited to 16,000 gallons per year, which is 516 barrels, or 1032 kegs.

The bill would also fix an ambiguity in the current statutes which unintentionally limits to whom a brewer can sell its products. Under current law, an Alaskan brewer can only sell to a wholesaler licensed by the state. Inadvertently, this would prohibit an Alaska brewer from selling beer in Washington or Japan, for example. It also makes a change in the section of the law dealing with prohibited financial interests to allow a brewer to receive a consulting fee from other license holders.

A brewpub license would not be transferable by itself, only in conjunction with a beverage dispensary license.

The CS has the support of the ABC and zero fiscal notes from the Departments of Revenue and Environmental Conservation.

Sectional Analysis of CSSB 276 (Fin)

Section 1. AS 04.11.080 Types of Licenses and Permits

Amended to include brewpub license.

Section 2. AS 04.11.130(b) Brewery License

Deletes archaic language, i.e. changes "wine gallons" to "gallons". Amended to allow a brewer to sell beer to persons licensed to sell beer in other states and countries.

Section 3. AS 04.11.135 Brewpub License

Describes what is authorized under a brewpub license.

(a)(1) the manufacture of not more than 16,000 gallons (516 barrels or 1032 kegs) in a year. Must be brewed on the premises.

(a)(2) must be consumed on the premises.

(b) states that the brewpub license is not transferable except under the provisions of AS04.11.360(12) as amended under this bill.

(c) sets a annual fee of \$250.

Section 4. AS 04.11.360 Denial of Transfer of a license to another person.

Prohibits the transfer of a brewpub license unless it is being transferred with a beverage dispensary license.

Sections 5 and 6. AS 04.11.450 Prohibited Financial Interest

(b) Amended to authorize the holder of beverage dispensary license to obtain a brewpub license, subject to AS 04.11.135.

(c) Amends the definition of "direct or indirect financial interest" to exclude a consulting fee received from persons licensed under the alcohol beverage statutes. In this manner, the holder of a brewery license could assist the holder of a brewpub license in the start up of a brewpub, for example.

Section 7. Makes the bill effective immediatly.

Provided by Senator Fahrenkamp's office 4/22/88

Questions and Answers:

*Will passage of this bill increase alcohol consumption?

No. The issue is product displacement. Beer consumers will have a choice, and hopefully they will choose to drink an Alaskan made brew instead of one shipped from the lower 48 or elsewhere.

*Can the holder of a restaurant and eating license obtain a brewpub license under this bill?

No, the ABC does not support such a proposition. The board feels that the restaurant and eating licenses now issued are subject to abuse. The Board intends to examine the problems of this category of licenses, and until then, prefers no new privileges be granted to holders of restaurant and eating place licenses.

*How often will brewpubs be inspected?

DEC will inspect them once per year, or upon complaint, on a "Best Management Practice", the industry standard they use for all Food Processing and Storage Facilities, and the same standard used by other state when inspecting brewing facilities.

*Can a holder of a brewing license obtain a beverage dispensary license?

No, current law prohibits such.

*Can a holder of a brewing license obtain a restaurant and eating place license?

Yes, current law does not prohibit such.

*Does our one Alaskan brewery support the bill?

Yes. The bill fixes two problems in current brewery statutes. They also feel that if more Alaskan made beer is available, as long as it a quality product, will benefit all brewers, large or small. At least one potential brewpub owner plans to stock Chinook as well as sell his own brew.

*How can there be a zero fiscal note, when there is a \$250 license fee established in the bill and under existing regs, there is a \$100 application fee?

It's likely that there will be only a handful of brewpub licenses issued in the near future, resulting in revenue barely in the thousands. Revenue derived from the fee, under existing law, will be shared back with 100% municipalities. This is done to pay the costs associated with, for example, local police having to respond to a violation of drinking age requirements. The application fee of \$100 would go towards processing paperwork.

*What is a wine gallon?

It's an archaic industry term for a standard U.S. gallon. The Revisor of Statutes recommended it be changed to gallon.

Prepared by Senator Fahrenkamp's Office.

STATE OF ALASKA

DEPARTMENT OF REVENUE

ALCOHOLIC BEVERAGE CONTROL BOARD

STEVE COWPER, GOVERNOR

550 W. 7TH AVE
ANCHORAGE, ALASKA 99501-6698

JAN 28 1988

January 26, 1988

The Honorable Jay Kerttula, Chairman
Senate Judiciary Committee
P.O. Box V
Juneau, Alaska 99811

Dear Senator Kerttula:

At its meeting of January 20, the Alcoholic Beverage Control Board reviewed and discussed SB 276 and proposed changes. The board approves of the legislation.

If I can answer any questions from your committee, please do not hesitate to let me know.

Sincerely,



Patrick L. Sharrock
Director
(907) 277-8638

PLS:cr

cc: Senator Bettye M. Fahrenkamp

88-23



STATE OF ALASKA
OFFICE OF THE GOVERNOR
BILL ANALYSIS

FEB 26 1988

DEPARTMENT Environmental Conservation	DIVISION Environmental Health	BILL NUMBER CS SB 276	SPONSOR Fahrenkamp
SHORT TITLE OF BILL "An Act relating to brewpub, brewery, and beverage dispensary licenses."			
DEPARTMENT POSITION The Department believes this bill may provide opportunities for economic growth and presents no regulatory difficulties.			
PREPARED BY Douglas Donegan	DATE 2/23/88	COMMISSIONER'S SIGNATURE	DATE

SUMMARY

OTHER AGENCIES AFFECTED BY BILL Department of Revenue.	CONSTITUENT GROUPS AFFECTED BY BILL Bar and brewery operators, consumers.
ORGANIZATIONAL SUPPORT FOR BILL We assume bar and brewery operators may support this bill.	ORGANIZATIONAL OPPOSITION TO BILL We know of no opposition to this bill.

FISCAL IMPACT: NONE FISCAL NOTE ATTACHED

BACKGROUND/LEGISLATIVE INTENT

Bill would allow the licensing of "brewpubs" which are a combination of a bar and a brewery.

ANALYSIS OF BILL/PROGRAM EFFECTS

This bill would have little to no effect on the Department of Environmental Conservation. The department currently inspects bars and breweries. The creation of "brewpubs" would mean that these inspection duties would be required in some circumstances.

AMENDMENTS PROPOSED

None.

PLEASE ATTACH A SEPARATE SHEET FOR ADDITIONAL COMMENTS OR ANALYSIS.

Sec. 04.11.060. Nonresident distiller, brewer, winery or wholesaler. A distiller, brewer, winery or wholesaler whose plant or principal place of business is outside the state may not sell products directly to licensees in the state without

- (1) obtaining a general wholesale license under AS 04.11.160(a) for each wholesale distributing point in the state;
- (2) appointing an agent upon whom process can be served; and
- (3) obtaining other applicable licenses under the provisions of this title. (§ 2 ch 131 SLA 1980)

Sec. 04.11.070. Power limited to the board. Only the board may issue, renew, transfer, relocate, suspend, or revoke a license under this title. (§ 2 ch 131 SLA 1980; am § 1 ch 37 SLA 1986)

Effect of amendments. — The 1986 amendment inserted "relocate."

Article 2. Licenses and Permits.

Section	Section
80. Types of licenses and permits	170. Distillery license
90. Beverage dispensary license	180. Common carrier dispensary license
100. Restaurant or eating place license	190. Community liquor license
110. Club license	200. Retail stock sale license
120. Bottling works license	210. Recreational site license
130. Brewery license	220. Pub license
140. Winery license	230. Caterer's permit
150. Package store license	240. Special events permit
160. Wholesale licenses	250. Conditional contractor's permit

Sec. 04.11.080. Types of licenses and permits. Licenses and permits issued under this title are as follows:

- (1) beverage dispensary license;
- (2) duplicate beverage dispensary license for additional rooms;
- (3) restaurant or eating place license;
- (4) club license;
- (5) bottling works license;
- (6) brewery license;
- (7) package store license;
- (8) general wholesale license;
- (9) wholesale malt beverage and wine license;
- (10) distillery license;
- (11) common carrier dispensary license;
- (12) retail stock sale license;
- (13) recreational site license;
- (14) community liquor license;
- (15) pub license;
- (16) winery license;

11.080

§ 04.11.090

ALCOHOLIC BEVERAGES

§ 04.11.090

ry or
plant or
products

- (17) caterer's permit;
- (18) special events permit;
- (19) conditional contractor's permit. (§ 2 ch 131 SLA 1980)

0(a) for

Cross references. — For statute providing that a license is a personal privilege, see AS 04.11.660. 48 C.J.S., Intoxicating Liquors §§ 99-101.

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of this

Collateral references. — 45 Am. Jur. 2d, Intoxicating Liquors, §§ 124-133.

d may
under

Sec. 04.11.090. Beverage dispensary license. (a) A beverage dispensary license authorizes the holder to sell or serve on the licensed premises alcoholic beverages for consumption on the licensed premises only.

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

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

license

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

it

(e) A holder of a beverage dispensary license may not maintain upon the licensed premises more than one room in which there is regularly maintained a fixed counter or service bar at which alcoholic beverages are sold or served to members of the public for consumption unless the licensee is issued by the board, after investigation, a duplicate of the original license for each of the rooms. The holder of the beverage dispensary license shall pay to the board with each application for a duplicate license an amount equal to the fee payable for the original beverage dispensary license under (b) of this section. If the licensed premises are located within a municipality, a duplicate beverage dispensary license may not be issued unless approved by the council or assembly, as appropriate.

per-

is;

(f) The area designated as the licensed premises under a beverage dispensary license issued to a bowling alley may include the concourse or lane areas of the bowling alley. Notwithstanding AS 04.16.049, the board may, upon application, authorize access by persons under 21 years of age to the concourse or lane areas designated part of the bowling alley's licensed premises during hours when no alcoholic beverages are being sold, served, or consumed. (§ 2 ch 131 SLA 1980; am § 1 ch 109 SLA 1983)

club. — Where the business affairs of a club, including the purchase and keeping and sale to members of liquor, are so inextricably intermingled with those of

the manager of the club, the manager has an interest in the business and a license may not be lawfully issued. In re Alaska Labor Trades Ass'n, 10 Alaska 472 (1945).

Collateral references. — 48 C.J.S., Intoxicating Liquors, § 229.

Criminal responsibility of club, authorized generally to sell intoxicating liquors, for particular illegal sale thereof by employee or agent. 139 ALR 306.

Knowledge and intent as elements determining responsibility for illegal sale by employee or agent. 139 ALR 313.

Sale of liquor by club or bar as within statute or ordinance imposing tax on sales at retail. 139 ALR 391.

Sec. 04.11.120. Bottling works license. (a) A bottling works license authorizes the holder to operate a bottling works where beer and wine may be bottled and sold.

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

(c) The annual bottling works license fee is \$250. (§ 2 ch 131 SLA 1980)

Sec. 04.11.130. Brewery license. (a) A brewery license authorizes the holder to operate a brewery where beer is manufactured and bottled or barreled for sale.

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

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

(d) The annual brewery license fee is \$500. (§ 2 ch 131 SLA 1980)

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

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

(c) The holder of a winery license may permit a person to sample small portions of the wine on the premises free of charge unless prohibited by AS 04.16.030.

(d) The annual winery license fee is \$250. (§ 2 ch 131 SLA 1980)

Cross references. — For board approval of transfers, see AS 04.11.040. For application for transfer of license location, see AS 04.11.290.

Effect of amendments. — The 1985 amendment in the catchline substituted "request for relocation" for "transfer of location," in the introductory language substituted "for the relocation" for "of a transfer of location," in paragraph (1) substituted "relocation" for "transfer of location," in paragraph (2), substituted "relocation" for "transfer of location of the li-

cence" and "AS 04.11.400(a) or (b)" for "AS 04.11.400(a) or prohibition of transfer is found necessary under AS 04.11.400(b), rewrote paragraph (3), in paragraph (4) substituted "relocation" for "transfer of the location," substituted "relocation" for "transfer of location" in paragraphs (6) through (8), in paragraph (9) substituted "relocated" for "transferred" and "relocation" for "transfer," and in paragraph (10) substituted "AS 04.11.400(g), (h), or (j)" for "AS 04.11.400(j)."

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

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

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

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

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

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

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

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

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

(7) transfer of the license to another person is prohibited under the provisions of this title as a result of an election conducted in accordance with AS 04.11.502;

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

(9) the licensed premises are located in a municipality, the type of license sought to be transferred is a beverage dispensary or package store license, and that type of license is already in effect in the municipality under a community liquor license, unless the transfer is to become effective after the community liquor license is no longer effective, whether as the result of a local option election or otherwise;

(10) the authority sought is authority to operate a beverage dispensary or package store under a community liquor license for premises to be located in a municipality where the authority sought is already held by a private licensee under a beverage dispensary or package store license, unless the transfer is to become effective after the privately held license is no longer effective, whether as the result of a local option election or otherwise;

(11) the license was issued under AS 04.11.400(j). (§ 2 ch 131 SLA 1980)

Cross references. — For board approval of transfers, see AS 04.11.040. For application for transfer of a license to another person, see AS 04.11.280.

NOTES TO DECISIONS

This section makes no declaration of application to pre-enactment transactions. — A plain reading of this section makes it applicable to all license transfer requests made after its enactment; this section does not, however, expressly declare that the license transfer exception noted in paragraph (4) (B) is to be applicable to debts incurred before enactment of the section in 1980. *Norton v. ABC Bd.*, Sup. Ct. Op. No. 2915 (File No. 7363), 695 P.2d 1090 (1985).

And retrospective application violates AS 01.10.090. — Applying this section to credit transactions before enactment of the section in 1980 is a retrospective application of the section which vio-

lates both the literal terms of and the reasons for AS 01.10.090. *Norton v. ABC Bd.*, Sup. Ct. Op. No. 2915 (File No. 7363), 695 P.2d 1090 (1985).

Statute not preempted by federal bankruptcy law. — Subparagraph (4)(A) of this section requiring payment of creditors of a liquor establishment before transfer of a liquor license was not preempted by the Bankruptcy Act of 1898, codified as amended at 11 U.S.C. § 1-1103 (1976) and repealed by the Bankruptcy Reform Act of 1978, codified at 11 U.S.C. § 101-1330 (Supp. V. 1981). *Artus v. Alaska Dep't of Labor*, 718 F.2d 1446 (9th Cir. 1983).

Sec. 04.11.370. Suspension and revocation of licenses and permits. A license or permit shall be suspended or revoked if the board finds that one or more of the following grounds exists:

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

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

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

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

(5) conviction of the agent or employee of a licensee of a violation of this title, a regulation adopted under this title, or an ordinance adopted under AS 04.21.010, if the licensee is found by the board to

Effect of amendments. — The 1985 amendment inserted ", to a partnership, including a limited partnership," in the first sentence of subsection (a).

Collateral references. — Transfer of retail liquor license or permit from one location to another. 98 ALR2d 1123.

Sec. 04.11.450. Prohibited financial interest. (a) A person other than a licensee may not have a direct or indirect financial interest in the business for which a license is issued.

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

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

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

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

(f) A holder of either a general wholesale license or a wholesale malt beverage and wine license may not be employed by or act as the agent or employee of the holder of a beverage dispensary or package store license. (§ 2 ch 131 SLA 1980)

NOTES TO DECISIONS

Editor's notes. — The cases cited in the notes below were decided under former AS 04.10.180 and earlier statutes.

The purpose of financial interest statute was to prevent evasion of the liquor control statutes and regulations through the creation of hidden financial interests in liquor businesses unknown to the regulatory authorities or to the public. It helped insure that all persons with any financial interest in such businesses were answerable to the ABC Board. *Barton v. Lund*, Sup. Ct. Op. No. 1423 (File No. 2726), 563 P.2d 875 (1977).

Interest, "direct or indirect," in a thing is held to embrace a legal or equitable interest. In *re Martin's Retail Liquor License No. 1517*, 15 Alaska 225 (1954).

Application to clubs. — The provisions of former section applied to clubs as well as to all other persons who might have or apply for any of the numerous

types of licenses authorized to be issued by law. In *re Alaska Labor Trades Ass'n*, 10 Alaska 472 (1945).

Interest of manager in business prohibited. — Where the business affairs of the club, including the purchase and keeping and sale to members of liquor, are so inextricably intermingled with those of the manager of the club, the manager has an interest in the business and a license may not be lawfully issued. In *re Alaska Labor Trades Ass'n*, 10 Alaska 472 (1945).

This section was not controlling where the party had a security interest, as opposed to a financial interest, in the license. *Gibson v. Alaska ABC Control Bd.*, 377 F. Supp. 151 (D. Alaska 1974).

Statement of financial interest required. — A statement regarding financial interest of any other person in the business was required to be made by former AS 04.10.190, concerning the filing,

Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN, LEGISLATIVE COUNCIL
CHAIRMAN, OIL AND GAS COMMITTEE
515 7TH AVENUE, SUITE 130
FAIRBANKS, ALASKA 99701
OFFICE (907) 452-4882
HOME (907) 458-2899



WHILE IN JUNEAU
P.O. BOX V
JUNEAU, ALASKA 99811
CAPITOL ROOM 125
OFFICE (907) 485-3834
HOME (907) 780-6027

Senate

MEMORANDUM

TO: Senate Judiciary Committee
FROM: Senator Bettye Fahrenkamp
DATE: January 29, 1988
RE: Sanitary Inspections of Breweries and Brewpubs

CALIFORNIA

In California, brewpubs and breweries are treated the same, receiving sanitary inspections from the Department of Health Services on the same "Good Management Practices" basis as used in Alaska. These "GMP's" were developed by the federal Food and Drug Administration and apply to all food manufacturing operations exclusive of meat, poultry, and dairy.

The frequency of inspection in California is not set in statute or by regulation. By department policy, they inspect breweries of all sizes annually and upon complaint. However, due to budget cuts, some breweries will not be inspected for as long as ten years, as they are considered low priority since they have a low likelihood of causing a public health problem, according to California officials.

ILLINOIS

In Illinois, breweries receive sanitary inspections, like any other beverage manufacturer, from the Illinois Department of Public Health; Food, Drug, and Dairy Division, on the "Good Management Practices" basis once per year or upon complaint. The frequency is not set by statute or regulation.

The city of Chicago exerts municipal control over health and sanitation in the city. The Chicago Health Department, Food Protection Division inspects all food dispensers twice per year as per municipal ordinances. They treat a brewpub the same as any other food retailer.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

INFORMATION ON "BREW PUBS"

JANUARY, 1988

Bar operations are regulated as food service establishments under 18 AAC 31. Breweries are regulated under 18 AAC 30.220-290, regulations governing Food Processing and Storage Facilities.

Both bars and breweries must be in compliance with water, wastewater and solid waste regulations. A plan review and a pre-opening inspection are required prior to operation. A permit is required for bars.

Breweries are inspected as food processing facilities to ensure that Good Manufacturing Practices are used during the production process.

A brew pub would be inspected as a bar and a brewery. The risks of disease transmission associated with breweries or bars are substantially less than those associated with restaurants or other kinds of food manufacturing plants because potentially hazardous foods are not used in the brewing process. Hazardous foods are those that, if mishandled, can pose a health hazard to the public. The primary concern during an inspection of a brewery is to ensure that the product is not subject to contamination. This requires particular attention to the manufacturing process. General sanitation, chemical and raw product storage, utensil washing and sanitizing, employee hygiene, product labeling, rodent and insect control, facility construction and water supply and plumbing would be items of public health concern in a food processing and bar operation.

Inspections of bars and breweries are conducted annually with followup inspections conducted as necessary. This represents an adequate inspection frequency for bars considering the relatively low public health significance of such facilities. Breweries would likely be inspected twice a year if resources for the public facilities inspection program were adequate.

The proposed "brew pub" legislation will not have a significant impact on the environmental sanitation program in itself because the number of "brew pub" facilities will almost certainly be small compared to the overall number of public facilities. There are more than 6,200 public facilities in Alaska, and the number of brew pubs likely to be built is in the tens. However, the Department has requested an increment in its proposed FY 89 operating budget to bring inspection levels for all public facilities back up to acceptable levels. Due to budget reductions, inspection levels are currently substantially below the frequency necessary to protect public health.

GOLD DREDGE NUMBER 8

NATIONAL HISTORIC DISTRICT

P.O. Box 81941
Fairbanks, Alaska 99708
457-6038

1-14-88

Senator Jay Kerttula
Chairman
Judiciary Committee
Alaska State Senate
Juneau, Alaska

Greetings Senator Kerttula and members of the Judiciary Committee

I have just been informed that you will be accepting testimony on Senate Bill 276 this afternoon.

I would like to speak in favor of passage that bill. I am licensed to buy and dispense alcoholic beverages and I would like to be able to brew some of the beer I sell in the restaurant and bar myself. These are called brewpubs but for a better understanding you should think of them as a micro-micro brewery.

Brewpubs are becoming increasingly popular as are micro breweries in the U.S.. They are an emerging industry that have resulted from the success and failures of microbreweries catering to regional tastes. Brewpubs stem from a high level of technology applied to peoples desire to enjoy locally produced brew. (ie. Chinook Beer is a good example of this)

This bill if passed will also create new jobs and this industry is also a new growth industry in Alaska. I am sure I am not the only entrepreneur around the State that would foster the development of the industry. Please pardon the pun. If I am to sell ten draft beers to my customers for instance or ten Beers brewed and bottled in St. Louis I would much rather sell the drafts brewed on premises. I believe my customers would also prefer the locally brewed product as long as it's good. Because of the small scale I can afford to spare no expense on insuring nothing but the highest quality beverage will be served.

I also understand this bill may be amended to allow brewers in this state to act as consultants to people such as myself. I understand it is illegal for them to do so now. I support passage of that amendment. I see no reason why I should have to hire an out of state consultant if the talent is available in State. (ie. Juneau)

Thank you for the opportunity to submit this testimony. Please pass SB 276 so I can get my show on the road.

Sincerely,



John Reeves

Original sponsor: Fahrenkamp

1 IN THE SENATE BY THE JUDICIARY COMMITTEE
2 CS FOR SENATE BILL NO. 276 (Judiciary)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - SECOND SESSION
5 A BILL
6 For an Act entitled: "An Act relating to brewpub, brewery, and beverage
7 dispensary liquor licenses; and to prohibited finan-
8 cial interests in a licensed liquor business."
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
10 * Section 1. AS 04.11.080 is amended by adding a new paragraph to read:
11 (20) brewpub license.
12 * Sec. 2. AS 04.11.130(b) is amended to read:
13 (b) A brewery license authorizes the holder to sell beer in
14 quantities of more than five [WINE] gallons to persons licensed to
15 sell beer under this title, or in another state or country.
16 * Sec. 3. AS 04.11 is amended by adding a new section to read:
17 Sec. 04.11.135. BREWPUB LICENSE. (a) A brewpub license author-
18 izes the holder of a beverage dispensary license to
19 (1) manufacture on premises licensed under the beverage
20 dispensary license not more than 16,000 gallons of beer in a calendar
21 year; and
22 (2) sell beer manufactured on premises licensed under the
23 beverage dispensary license for consumption only on the licensed
24 premises.
25 (b) Except as provided under AS 04.11.360(12), the brewpub
26 license is not transferable, shall remain the property of the state,
27 and is not subject to any form of alienation.
28 (c) The annual brewpub license fee is \$250.
29 * Sec. 4. AS 04.11.360 is amended by adding a new paragraph to read:

1 (12) the license was issued under AS 04.11.135, unless the
2 transferor is also applying to transfer the beverage dispensary li-
3 cense required under AS 04.11.135 to the same transferee.

4 * Sec. 5. AS 04.11.450(b) is amended to read:

5 (b) A person who is a representative or owner of a wholesale
6 business, brewery, winery, bottling works, or distillery may not be
7 issued, solely or together with others, a beverage dispensary license
8 or package store license. A holder of a beverage dispensary license
9 may be issued a brewpub license, subject to the provisions of AS 04.-
10 11.135.

11 * Sec. 6. AS 04.11.450(c) is amended to read:

12 (c) In this section, "direct or indirect financial interest"
13 means holding a legal or equitable interest in the operation of a
14 business licensed under this title. However, credit extended by a
15 distiller, a brewery, or a winery to a wholesaler, or credit extended
16 by a wholesaler to persons licensed under this title, or a consulting
17 fee received from a person licensed under this title, is not consid-
18 ered a financial interest in a business licensed under this title.

1 IN THE SENATE

BY FAHRENKAMP

2

SENATE BILL NO. 276

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to issuance of a brewery license."

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

8 * Section 1. AS 04.11.130 is amended by adding a new subsection to
9 read:

10 (e) If the holder of a brewery license is also the holder of a
11 beverage dispensary license

12 (1) beer may be sold in quantities of less than five wine
13 gallons on premises licensed under the beverage dispensary license;
14 and

15 (2) not more than 16,000 wine gallons of beer may be
16 manufactured in a calendar year.

17 * Sec. 2. AS 04.11.450(b) is amended to read:

18 (b) A person who is a representative or owner of a wholesale
19 business, brewery, winery, bottling works, or distillery may not be
20 issued, solely or together with others, a beverage dispensary license
21 or package store license. A holder of a beverage dispensary license
22 may be issued a brewery license, subject to the provisions of AS 04.-
23 11.130.

SB

277

SENATE COMMITTEE REPORT

FURTHER:

5/15/87

DATE TURNED INTO OFFICE _____

Mr. President:

FINANCE

Committee considered SB 277

registration of vehicles owned by charitable organizations.

and recommended:

[] replace with CS FOR _____) [] same title
[] or adopt _____ CS FOR _____) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [] previous
[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

[] Committee Backup Attached

SENATE COMMITTEE REPORT

FURTHER: FINANCE

5/12/87

DATE TURNED INTO OFFICE May 14, 1987

Mr. President:

TRANSPORTATION Committee considered SB 277

registration of vehicles owned by charitable organizations.

and recommended:

replace with CS FOR _____) same title
 or adopt _____ CS FOR _____) new title

attached amendment(s) and

may do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee ~~attached~~ or adopted ~~fiscal~~ note(s)

new updated or ~~previous~~
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Handwritten signatures]

OTHER RECOMMENDATIONS

Kelly - No Rec

[Handwritten signature]
Chairman signature and recommendation

Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 29 April 1987 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: TRANSPORTATION
FINANCE

**FISCAL NOTE(S) ATTACHED _____ **
IN ACCORDANCE WITH AS 24.08.035
(see below)

4/23/87

DATE TURNED INTO OFFICE 12 May 1987

Mr. President:

STATE AFFAIRS

Committee considered _____

SB 277

registration of vehicles owned by charitable organizations.

and recommended:

replace with CS _____ same title
 attached amendment(s) and new title

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Signature]
[Signature]

OTHER RECOMMENDATIONS

[Signature] (NO REC)

[Signature]
Chairman signature and recommendation

Committee Backup Attached

Introduced: 4/23/87
Referred: State Affairs,
Transportation & Finance

5-1074A

1 IN THE SENATE

BY SZYMANSKI, RODEY,
STURGULEWSKI AND ABOOD

2 SENATE BILL NO. 277

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to registration of vehicles owned by
7 charitable organizations."

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

9 * Section 1. AS 28.10.181(e) is amended to read:

10 (e) Vehicles owned by the state or [,] municipalities [, AND
11 CHARITABLE ORGANIZATIONS OF THE STATE]. Every certificate of regis-
12 tration and registration plate issued to the state or [,] a munici-
13 pality [OR CHARITABLE ORGANIZATION OF THE STATE] is in effect until
14 the vehicle for which the registration certificate and plate were
15 issued is no longer owned and operated by the state or [,] the munici-
16 pality [OR THE CHARITABLE ORGANIZATION OF THE STATE] or until the
17 department, in its discretion, declares its expiration. The state or
18 [,] municipality [OR CHARITABLE ORGANIZATION OF THE STATE] shall
19 maintain a current listing of all vehicles registered to it in the
20 order of the registration number assigned to each vehicle, and shall
21 provide a copy of the listing to the department upon request. The
22 listing shall include a description of each vehicle and other identi-
23 fying information required by the department. Registration plates
24 issued under this subsection shall be of a distinctive design and
25 numbering system. [FOR THE PURPOSES OF THIS SUBSECTION, "CHARITABLE
26 ORGANIZATION" MEANS A NONPROFIT ASSOCIATION, CORPORATION, SOCIETY OR
27 OTHER ENTITY ORGANIZED, INCORPORATED OR HEADQUARTERED IN THE STATE FOR
28 EDUCATIONAL, CULTURAL, SCIENTIFIC OR OTHER CHARITABLE PURPOSES, AS
29 PRESCRIBED IN REGULATIONS OF THE DEPARTMENT.]
S

1 * Sec. 2. AS 28.10.421(d)(11) is amended to read:

2 (11) a vehicle owned by a municipality [OR CHARITABLE ORGA-
3 NIZATION] meeting the requirements of AS 28.10.181(e)..... \$5;
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**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

SENATE
SB 277

REQUEST: _____

Bill Version : _____
Publish Date : 5/12/87

Revision Date: _____
Title: An Act relating to registration
of vehicles owned by charitable organ...
Sponsor: Szymanski
Requestor: Senate State Affairs

Agency Affected: Public Safety
BRU: Motor Vehicles
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE	-0-	84.6	87.1	89.7	92.4	95.2
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

1986 registration figures reflect 2,563 vehicles registered to charitable organizations. If the regular fee was collected, instead of the current \$5.00 per vehicle, the above reflects the increase in revenue. Assumed effective date of 7-1-87, with a 3% growth factor.

JAR
4/12/87
Prepared by: Bill Browder Phone: 465-4335
Division: Motor Vehicles Date: 4-28-87
Approved by Commissioner: [Signature] Date: 4/28/87
Agency: Public Safety

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

ALASKA STATE LEGISLATURE

15th . . . Legislature **1st** . . . Session

SENATE . . . **BILL** NO. . . **277**

By **SZYMANSKI, . RODEY, . STURGULEWSKI, ABOOD**

"An Act relating to registration of vehicles owned by charitable organizations."

Introduced in the Senate . . . **4/23**, 19 **87** . . .

HISTORY IN THE SENATE

19	87	Read first time and referred to Committee on										
4	23	STATE AFFAIRS, TRANSPORTATION & FINANCE										
5	12	Reported back with recommendation that <i>3 do pass, 1 no rec, fiscal impact to Transp.</i>										
5	15	<i>Transp: 3 do pass, 1 no rec to Finance.</i>										
		<u>Finance:</u>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date											
Yeas	Yeas											
Nays	Nays											
Excused	Excused											
Absent	Absent											
		Reconsideration Reconsideration not taken up										
		<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date											
Yeas	Yeas											
Nays	Nays											
Excused	Excused											
Absent	Absent											
		Reported correctly engrossed Signed by President Sent to House										

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
	Read second time and										
	Read third time and										
	<table border="0"> <tr><td>PASSED</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Excused</td><td>Excused</td></tr> <tr><td>Absent</td><td>Absent</td></tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date										
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PASSED	Effective Date										
Yeas	Yeas										
Nays	Nays										
Excused	Excused										
Absent	Absent										
	Reported correctly engrossed Signed by Speaker Returned to Senate										

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Received from House
	To enrolling
	Reported correctly enrolled
	Sent to Governor
	..... by Governor
	Chapter No.
	Filed with Lt. Governor

FISCAL NOTE

REQUEST:

Revision Date: 1-12-88
 Title: An Act relating to registration of vehicles owned by charitable organ...
 Sponsor: Szymanski
 Requestor: Senate Finance Committee
 Agency Affected: Public Safety
 BRU: Motor Vehicles
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93
OPERATING			
PERSONAL SERVICES			
TRAVEL			
CONTRACTUAL			
SUPPLIES			
EQUIPMENT			
LAND & STRUCTURES			
GRANTS, CLAIMS			
MISCELLANEOUS			
TOTAL OPERATING	-0-	-0-	-0-
CAPITAL			
REVENUE	89.7	92.4	95.2

Updated Fiscal Note.

FUNDING:

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The latest registration figures available (1986) reflect 2,563 vehicles registered to charitable organizations. If the regular fee was collected, instead of the current \$5.00 per vehicle fee, the above reflects the increase in revenue. Assumption made that effective date would be 7-1-88, with a 3% growth factor.

Prepared by: Bill Brown Phone: 465-4335
 Division: Motor Vehicles Date: 1-12-88
 Approved by Commissioner: [Signature] Date: 1-12-88
 Agency: Public Safety

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

S B

2 8 0

SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE _____

4/12/88
Mr. President:

Finance Committee considered SB 280

issuance of permits and consistency determinations

and recommended

replace with _____ CS _____) same title
 or adopt _____ CS _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

Committee Backup attached

SENATE COMMITTEE REPORT

*John
Hales*

FURTHER

3/14/88

DATE TURNED INTO OFFICE _____

Mr. President:

Resources _____ Committee considered SB 280

issuance of permits and consistency determinations

and recommended

replace with _____ CS SB 280 (ves)) same title
 or adopt _____ CS _____) new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted _____

Committee attached or adopted fiscal note(s)

new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

1 Paul Frick

2 [Signature] No Rec
3 [Signature] "not needed"
3 [Signature] "not needed"

[Signature]
Chairman signature and recommendation

Committee Backup attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2/27/88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

RESOURCES

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

4/28/87

DATE TURNED INTO OFFICE 3/11/88

Mr. President:

STATE AFFAIRS Committee considered SB 280

issuance of permits and consistency determinations.

and recommended:

replace with CS _____ same title
 new title

attached amendment(s) and

reports it back as follows:
 do pass

do not pass

no recommendation

individual recommendations

further referral to _____

letter of intent adopted and attached

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

2 Fish del (No Rec) Mehling
2 W. Humby (No Rec)

Sen. Matt Abund...
Chairman signature and recommendation

Committee Backup Attached

Original sponsors: Coghill, Faiks
and Jones

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 280 (Resources)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the issuance of permits and
7 consistency determinations."

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

9 * Section 1. FINDINGS. The legislature finds that

10 (1) the orderly development of state resources is being unneces-
11 sarily delayed by the number of agencies involved in the permitting pro-
12 cess;

13 (2) the uncertainties created by the proliferation of agency
14 reviews, the number of agencies involved in the permit process, and unjust-
15 ified agency requirements on the processing of permit applications have
16 cost residents of the state millions of dollars in lost employment and
17 higher prices;

18 (3) the public interest has not been advanced by the protracted
19 delay in the processing of permit applications by state agencies;

20 (4) the social, economic, and environmental health and well-
21 being of the residents of the state will be promoted by reducing the number
22 of agencies and agency reviews involved in the permit process; and

23 (5) the efficiency of state permitting procedures will be en-
24 hanced by using state resource agencies as lead agencies on coastal zone
25 consistency determinations.

26 * Sec. 2. AS 44.19.145(a) is amended to read:

27 (a) The office shall

28 (1) provide technical assistance to the governor and the
29 legislature in identifying long range goals and objectives for the
S

1 state and its political subdivisions;

2 (2) prepare and maintain a state comprehensive development
3 plan;

4 (3) provide information and assistance to state agencies to
5 aid in governmental coordination and unity in the preparation of
6 agency plans and programs;

7 (4) review planning within state government as may be
8 necessary for receipt of federal, state, or other funds;

9 (5) participate with other countries, provinces, states, or
10 subdivisions of them in international or interstate planning, and
11 assist Alaska's local governments, governmental conferences, and
12 councils, in planning and coordinating their activities;

13 (6) encourage educational and research programs that fur-
14 ther state planning and development, and provide administrative and
15 technical services for them;

16 (7) publish such statistical information or other documen-
17 tary material as will further the provisions and intent of AS 44.19.-
18 141 - 44.19.152;

19 (8) assist the governor and the Department of Community and
20 Regional Affairs in coordinating the activities of state agencies that
21 [WHICH] have an impact on the solution of local and regional develop-
22 ment problems;

23 (9) serve as a clearinghouse for information, data, and
24 other materials that [WHICH] may be helpful or necessary to federal,
25 state, or local governmental agencies in discharging their respective
26 responsibilities or in obtaining federal or state financial or techni-
27 cal assistance;

28 (10) review all proposals for the location of capital im-
29 provements by any state agency and advise and make recommendations

1 concerning location of these capital improvements;

2 (11) designate a lead agency to render, on behalf of the
3 state

4 (A) each [, ALL] federal consistency determination
5 [DETERMINATIONS] and certification [CERTIFICATIONS] authorized by
6 16 U.S.C. 1456 (Sec. 307, Coastal Zone Management Act of 1972);
7 [,] and

8 (B) each [A] conclusive state consistency determina-
9 tion when a project requires two or more state or federal per-
10 mits, leases, or authorizations.

11 * Sec. 3. AS 44.19.145 is amended by adding new subsections to read:

12 (e) The Department of Natural Resources is designated as the
13 lead agency for consistency determinations that involve resource
14 development activities on state land, water and submerged lands, and
15 federal land, water, and the Outer Continental Shelf.

16 (f) In performing its functions, the lead agency shall consult
17 with other resource agencies and with coastal resource districts
18 established under AS 46.40. The lead agency shall consider documented
19 facts, data, opinions, or recommendations submitted by another agency
20 of the state or by a coastal resource district with an approved dis-
21 trict coastal management program within its area of expertise. The
22 lead agency shall balance competing factors in reaching its final
23 decision and may make a recommendation contrary to a recommendation
24 received from another agency.

25 (g) Except when required by federal law, a state agency other
26 than the state agency designated under (a)(11) of this section may not
27 make a recommendation to a federal permitting agency.

28 (h) In making a consistency determination under this section for
29 an activity that is occurring outside the boundaries of a coastal

1 resource district with an approved district plan, the lead agency and
2 each resource agency shall apply statewide standards and guidelines
3 adopted by the Alaska Coastal Policy Council under AS 46.40.040(1).

4 (i) The director of management and budget shall make the desig-
5 nations of lead agencies under (a)(11) of this section by administra-
6 tive order published in the Alaska Administrative Journal. The direc-
7 tor of management and budget may revise a designation by administra-
8 tive order published in the Alaska Administrative Journal.

9 * Sec. 4. The director of management and budget shall make the initial
10 designations under AS 44.19.145(a), as enacted in sec. 2 of this Act, not
11 later than October 1, 1988.

Introduced: 4/28/87
Referred: State Affairs
& Resources

5-1140A

1 IN THE SENATE

BY COGHILL, FAIKS AND JONES

2 SENATE BILL NO. 280

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the issuance of permits and
7 consistency determinations."

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

9 * Section 1. FINDINGS. The legislature finds that

10 (1) the orderly development of state resources is being unneces-
11 sarily delayed by the number of agencies involved in the permitting pro-
12 cess;

13 (2) the uncertainties created by the proliferation of agency
14 reviews, the number of agencies involved in the permit process, and unjust-
15 ified agency requirements on the processing of permit applications have
16 cost residents of the state millions of dollars in lost employment and
17 higher prices;

18 (3) the public interest has not been advanced by the protracted
19 delay in the processing of permit applications by state agencies;

20 (4) the social, economic, and environmental health and well-
21 being of the residents of the state will be promoted by reducing the number
22 of agencies and agency reviews involved in the permit process; and

23 (5) the efficiency of state permitting procedures will be en-
24 hanced by using state resource agencies as lead agencies on coastal zone
25 consistency determinations.

26 * Sec. 2. AS 44.19.145(a) is amended to read:

27 (a) The office shall

28 (1) provide technical assistance to the governor and the
29 legislature in identifying long range goals and objectives for the
S

1 state and its political subdivisions;

2 (2) prepare and maintain a state comprehensive development
3 plan;

4 (3) provide information and assistance to state agencies to
5 aid in governmental coordination and unity in the preparation of
6 agency plans and programs;

7 (4) review planning within state government as may be
8 necessary for receipt of federal, state, or other funds;

9 (5) participate with other countries, provinces, states, or
10 subdivisions of them in international or interstate planning, and
11 assist Alaska's local governments, governmental conferences, and
12 councils, in planning and coordinating their activities;

13 (6) encourage educational and research programs that fur-
14 ther state planning and development, and provide administrative and
15 technical services for them;

16 (7) publish such statistical information or other documen-
17 tary material as will further the provisions and intent of AS 44.19.-
18 141 - 44.19.152;

19 (8) assist the governor and the Department of Community and
20 Regional Affairs in coordinating the activities of state agencies that
21 [WHICH] have an impact on the solution of local and regional develop-
22 ment problems;

23 (9) serve as a clearinghouse for information, data, and
24 other materials that [WHICH] may be helpful or necessary to federal,
25 state, or local governmental agencies in discharging their respective
26 responsibilities or in obtaining federal or state financial or techni-
27 cal assistance;

28 (10) review all proposals for the location of capital im-
29 provements by any state agency and advise and make recommendations

1 concerning location of these capital improvements;

2 (11) designate a lead agency to render, on behalf of the
3 state

4 (A) each [, ALL] federal consistency determination
5 [DETERMINATIONS] and certification [CERTIFICATIONS] authorized by
6 16 U.S.C. 1456 (Sec. 307, Coastal Zone Management Act of 1972);
7 [,] and

8 (B) each [A] conclusive state consistency determina-
9 tion when a project requires two or more state or federal per-
10 mits, leases, or authorizations.

11 * Sec. 3. AS 44.19.145 is amended by adding new subsections to read:

12 (e) The Department of Natural Resources is designated as the
13 lead agency for consistency determinations that involve resource
14 development activities on state land, water and submerged lands, and
15 federal land, water, and the Outer Continental Shelf.

16 (f) In performing its functions, the lead agency shall consult
17 with other resource agencies and with coastal resource districts
18 established under AS 46.40. The lead agency shall consider documented
19 facts, data, opinions, or recommendations submitted by another agency
20 of the state or by a coastal resource district with an approved dis-
21 trict coastal management program within its area of expertise. The
22 lead agency shall balance competing factors in reaching its final
23 decision and may make a recommendation contrary to a recommendation
24 received from another agency.

25 (g) Except when required by federal law, a state agency other
26 than the state agency designated under (a)(11) of this section may not
27 make a recommendation to a federal permitting agency.

28 (h) In making a consistency determination under this section for
29 an activity that is occurring outside the boundaries of a coastal

1 resource district with an approved district plan, the lead agency and
2 each resource agency shall apply statewide standards and guidelines
3 adopted by the Alaska Coastal Policy Council under AS 46.40.040(1).

4 (i) The director of management and budget shall make the desig-
5 nations of lead agencies under (a)(11) of this section by administra-
6 tive order published in the Alaska Administrative Journal. The direc-
7 tor of management and budget may revise a designation by administra-
8 tive order published in the Alaska Administrative Journal.

9 * Sec. 4. The director of management and budget shall make the initial
10 designations under AS 44.19.145(a), as enacted in sec. 2 of this Act, not
11 later than October 1, 1987.

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: CSSB 280 (res)
PUBLISH DATE: SENATE 4/12/88

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Dept. of Natural Resource:
 Title: SB280 Relating to the issuance of permits and consistency determinations BRU: Commissioner's Office
 Sponsor: Coghill, Faiks, and Jones Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	400.7	400.7	400.7	400.7	400.7	400.7
TRAVEL	14.9	14.9	14.9	14.9	14.9	14.9
CONTRACTUAL	91.7	91.7	91.7	91.7	91.7	91.7
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	507.3	507.3	507.3	507.3	507.3	507.3

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	507.3	507.3	507.3	507.3	507.3	507.3
FEDERAL FUNDS						
OTHER						
TOTAL	507.3	507.3	507.3	507.3	507.3	507.3

POSITIONS:

FULL-TIME	8	8	8	8	8	8
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: _____ Phone: _____
 Division: _____ Date: _____
 Approved by Commissioner: *Lennie Cornish* Date: 3-11-88
 Agency: Department of Natural Resources

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB280
PUBLISH DATE: 3-14-88 (SENATE)

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Dept. of Natural Resources
 Title: SB280 Relating to the issuance of permits and consistency determinations BRU: Commissioner's Office
 Sponsor: Coghill, Faiks, and Jones Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	400.7	400.7	400.7	400.7	400.7	400.7
TRAVEL	14.9	14.9	14.9	14.9	14.9	14.9
CONTRACTUAL	91.7	91.7	91.7	91.7	91.7	91.7
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	507.3	507.3	507.3	507.3	507.3	507.3

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	507.3	507.3	507.3	507.3	507.3	507.3
FEDERAL FUNDS						
OTHER						
TOTAL	507.3	507.3	507.3	507.3	507.3	507.3

POSITIONS:

FULL-TIME	8	8	8	8	8	8
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: _____ Phone: _____

Division: _____ Date: _____

Approved by Commissioner: Lennie Cornish Date: 3-11-88

Agency: Department of Natural Resources

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

ALASKA STATE LEGISLATURE

15th Legislature **1st** Session

SENATE **BILL** NO. 280..

By **COGHILL, FAIKS, JONES**.....

"An Act relating to the issuance of permits and consistency determinations."

Introduced in the Senate **4/28**....., 19 **87**..

HISTORY IN THE SENATE

19	87	Read first time and referred to Committee on										
4	28	State Affairs & Resources Reported back with recommendation that										
3	14	<i>SA: 1 dp, 2 noc, to Res.</i>										
4	12	<i>Res. replace w/CS 300 per, 1 noc, 2 not needed FY to FINANCE</i>										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASSED</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date											
Yeas	Yeas											
Nays	Nays											
Excused	Excused											
Absent	Absent											
		Reconsideration Reconsideration not taken up										
		<table border="0"> <tr> <td>PASSED</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date											
Yeas	Yeas											
Nays	Nays											
Excused	Excused											
Absent	Absent											
		Reported correctly engrossed Signed by President Sent to House										

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19		Read first time and referred to Committee on										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASSED</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date											
Yeas	Yeas											
Nays	Nays											
Excused	Excused											
Absent	Absent											
		Reconsideration Reconsideration not taken up										
		<table border="0"> <tr> <td>PASSED</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> </table>	PASSED	Effective Date	Yeas	Yeas	Nays	Nays	Excused	Excused	Absent	Absent
PASSED	Effective Date											
Yeas	Yeas											
Nays	Nays											
Excused	Excused											
Absent	Absent											
		Reported correctly engrossed Signed by Speaker Returned to Senate										

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19		Received from House
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Chapter No.
		Filed with Lt. Governor

S

B

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2

SENATE COMMITTEE REPORT

FURTHER:

5/15/87

DATE TURNED INTO OFFICE 5/16/87

Mr. President:

FINANCE Committee considered SB 282

municipal sales and use taxes

and recommended:

- replace with CS FOR SB 282 (Fin)) same title
- or adopt _____ CS FOR _____) new title
- attached amendment(s) and
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted _____

Committee attached or adopted fiscal note(s)
 new updated or previous
 zero fiscal impact

MEMBERS SIGNING DO PASS

[Signature]
[Signature]

OTHER RECOMMENDATIONS

Fred T. Shroyer (No Rec)
Carl Frank (No Rec)
Rich, Udy (No Rec)
W. Herndley (No Rec)

[Signature] NO REC.
 Chairman signature and recommendation

Committee Backup Attached

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

REQUEST: _____
 Revision Date: _____
 Title: "An Act relating to municipal sales and use taxes."
 Sponsor: Senate C&RA Committee
 Requestor: _____

Bill Version: CS SB 282
 Publish Date: _____

Agency Affected: Community & Regional Affairs
 BRU: State Assessor

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
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REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

MW

Prepared by: Mike Worley, State Assessor Phone: 465-4750
 Division: Municipal & Regional Assistance Date: 5/6/87
 Approved by Commissioner: *M. Worley for D.G. Hoffman* Date: 5/16/87
 Agency: Community & Regional Affairs

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)
 Senate Secretary

Original sponsor: Community and Regional
Affairs Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 282 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal sales and use taxes."

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

8 * Section 1. AS 29.10.200(43) is amended to read:

9 (43) AS 29.45.700(d) [AS 29.45.700(a)] (power of levy)

10 * Sec. 2. AS 29.45.650(f) is amended to read:

11 (f) A borough may not levy and collect a sales tax on

12 (1) a purchase made with food coupons, food stamps, or
13 other type of certificate issued under 7 U.S.C. 2011 - 2025 (Food
14 Stamp Act);

15 (2) a purchase of tickets, chances, bingo cards, or pull-
16 tabs in a lottery, raffle, bingo game, pull-tab game, or other game of
17 chance licensed under AS 05.15. [THIS SUBSECTION APPLIES TO HOME RULE
18 AND GENERAL LAW MUNICIPALITIES.]

19 * Sec. 3. AS 29.45.650 is amended by adding a new subsection to read:

20 (g) The provisions of (f) of this section apply to home rule and
21 general law municipalities.

22 * Sec. 4. AS 29.45.700(a) is amended to read:

23 (a) A city in a borough that levies and collects areawide sales
24 and use taxes may levy sales and use taxes on all sources taxed by the
25 borough in the manner provided for boroughs. [THE ASSEMBLY MAY BY
26 ORDINANCE AUTHORIZE A CITY TO LEVY AND COLLECT SALES AND USE TAXES ON
27 OTHER SOURCES EXCEPT PURCHASES MADE WITH FOOD COUPONS, FOOD STAMPS, OR
28 OTHER TYPE OF CERTIFICATE ISSUED UNDER 7 U.S.C. 2011 - 2025 (FOOD
29 STAMP ACT). THIS SUBSECTION APPLIES TO HOME RULE AND GENERAL LAW

1 MUNICIPALITIES.]

2 * Sec. 5. AS 29.45.700 is amended by adding a new subsection to read:

3 (d) The assembly may by ordinance authorize a city to levy and
4 collect sales and use taxes on other sources except purchases made
5 with food coupons, food stamps, or other type of certificate issued
6 under 7 U.S.C. 2011 - 2025 (Food Stamp Act) and purchases of tickets,
7 chances, bingo cards, or pull-tabs in a lottery, raffle, bingo game,
8 pull-tab game, or other game of chance licensed under AS 05.15. This
9 subsection applies to home rule and general law municipalities.
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Original sponsor: Community and Regional
Affairs Committee

1 IN THE SENATE BY THE JUDICIARY COMMITTEE
2 CS FOR SENATE BILL NO. 282 (Judiciary)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL
6 For an Act entitled: "An Act relating to municipal sales and use taxes."
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:
8 * Section 1. AS 29.45.650(e) is amended to read:
9 (e) A borough may provide for the creation, recording, and
10 notice of a lien on real or personal property to secure the payment of
11 a sales and use tax, and the interest, penalties, and administration
12 costs in the event of delinquency. When recorded, a lien authorized
13 under this section has priority over other liens except those for
14 property taxes, [AND] special assessments, and prior recorded mort-
15 gages, trust deeds, and land sale contracts. This subsection applies
16 to home rule and general law municipalities.
17 * Sec. 2. AS 29.10.200(42) is amended to read:
18 (42) AS 29.45.650(c), (d), (e), and (f) (sales and use tax)

Introduced: 4/29/87
Referred: Community & Regional Affairs
& Judiciary

5-1116A

1 IN THE SENATE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2

SENATE BILL NO. 282

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to municipal sales and use taxes."

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

8 * Section 1. AS 29.45.650(e) is amended to read:

9 (e) A borough may provide for the creation, recording, and
10 notice of a lien on real or personal property to secure the payment of
11 a sales and use tax, and the interest, penalties, and administration
12 costs in the event of delinquency. [WHEN RECORDED, A LIEN AUTHORIZED
13 UNDER THIS SECTION HAS PRIORITY OVER OTHER LIENS EXCEPT THOSE FOR
14 PROPERTY TAXES AND SPECIAL ASSESSMENTS.]

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4/29/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

JUDICIARY

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

4/29/87

DATE TURNED INTO OFFICE _____

Mr. President:

C&RA

Committee considered

SB 282

municipal sales and use taxes.

and recommended:

[] replace with CS _____ [] same title

[] attached amendment(s) and [] new title

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted and attached

** Committee [] attached or [] adopted fiscal note(s)
[x] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Rich Hatford
Mike Symonds

Artis Sturmalowski Do Pass
Chairman signature and recommendation

[] Committee Backup Attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 4/29/87 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER:

JUDICIARY

**FISCAL NOTE(S) ATTACHED **
IN ACCORDANCE WITH AS 24.08.035
(see below)

4/29/87

DATE TURNED INTO OFFICE _____

Mr. President:

C&RA

Committee considered

SB 282

municipal sales and use taxes.

and recommended:

[] replace with CS _____ [] same title

[] attached amendment(s) and [] new title

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted and attached

** Committee [] attached or [] adopted fiscal note(s)
[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Rich Halford
Mike Spitzer

Artis Stankiewicz Do Pass
Chairman signature and recommendation

[] Committee Backup Attached

S

B

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SENATE COMMITTEE REPORT

FURTHER

DATE TURNED INTO OFFICE _____

4/14/88
Mr. President:

FINANCE _____ Committee considered SB 285 _____

leave for district court judges

and recommended

[] replace with _____ CS _____) [] same title
[] or adopt _____ CS _____) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [] previous

[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Chairman signature and recommendation

SENATE COMMITTEE REPORT

revd 3/24
A. ...

FURTHER

FINANCE

3/24/88

DATE TURNED INTO OFFICE _____

Mr. President:

Judiciary _____ Committee considered _____ SB 285

leave for district court judges

and recommended

[] replace with _____ CS _____) [] same title
[] or adopt _____ CS _____) [] new title

[] attached amendment(s) and

Majority
[] do pass

[] do not pass

[] no recommendation

individual recommendations

[] further referral to _____

[] letter of intent adopted _____

Committee attached or [] adopted fiscal note(s)

[] new [] updated or previous

zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Patricia Bradley
Arthur J. ...
Frank ...

Frank ...
Chairman signature and recommendation

[] Committee Backup attached

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2-24-88 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: JUDICIARY
FINANCE

**FISCAL NOTE(S) ATTACHED ✓ **
IN ACCORDANCE WITH AS 24.08.035
(see below)

5/1/87 DATE TURNED INTO OFFICE 3/23/88
Mr. President:

STATE AFFAIRS Committee considered SB 285

leave for district court judges.

and recommended:

- replace with CS _____ same title
- attached amendment(s) and new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____
- letter of intent adopted and attached

DFM

** Committee attached or adopted fiscal note(s)
 zero fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

1 Joe Josephson

2 K. Fanning, No Rec.

Chairman signature and recommendation

Committee Backup Attached

Introduced: 5/1/87
Referred: State Affairs, Judiciary
& Finance

5-1043A

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 SENATE BILL NO. 285

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to leave for district court judges."

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

8 * Section 1. AS 39.20.245(b) is amended to read:

9 (b) An officer or employee, with the approval of the person
10 authorizing the employment, may donate accrued personal or annual
11 leave to another officer or employee only for use as leave for medical
12 reasons. The official responsible for employee accounts shall debit
13 the donor's personal or annual leave account and credit the donee's
14 personal leave account, or sick leave account, as appropriate, for
15 medical reasons only, by converting the donated leave into cash value
16 at the donor's rate of pay and reconverting the cash value to hours of
17 leave at the donee's rate of pay. Leave donated under this subsection
18 is not leave taken by the donor for purposes of AS 39.20.225(c). An
19 employee who is covered by a collective bargaining agreement may
20 donate leave to or receive donations of leave from an employee or
21 officer who is not covered by a collective bargaining agreement,
22 notwithstanding AS 39.20.310(7) and (8) [AS 39.20.310(8) and (9)].

23 * Sec. 2. AS 39.20.270 is amended to read:

24 Sec. 39.20.270. COURT LEAVE. Notwithstanding AS 39.20.310(6)
25 [AS 39.20.310(7)], court leave shall be granted to an employee who is
26 classified as full time, whether permanent, nonpermanent, or tempo-
27 rary. An officer or employee called to serve as a juror or subpoenaed
28 as a witness is entitled to administrative leave with pay, but compen-
29 sation received by the employee or to which the employee is entitled,

1 whichever is greater, for service as a juror or witness shall be
2 deducted from pay to which the employee is entitled as a state officer
3 or employee.

4 * Sec. 3. AS 39.20.310 is amended to read:

5 Sec. 39.20.310. EXCEPTIONS. AS 39.20.200 - 39.20.330 do not
6 apply to

7 (1) members of the state legislature, the governor, the
8 lieutenant governor, and justices and judges of the supreme, [AND]
9 superior, and district courts and of the court of appeals, but nothing
10 in AS 39.20.200 - 39.20.330 may be construed to diminish the salaries
11 fixed by law for these officers by reason of absence from duty on
12 account of illness or otherwise;

13 (2) magistrates serving the state on less than a full-time
14 basis;

15 (3) officers, members of the teaching staff, and employees
16 of the University of Alaska;

17 (4) [REPEALED

18 (5)] persons employed in a professional capacity to make a
19 temporary and special inquiry, study, or examination as authorized by
20 the governor, the legislature, or a legislative committee;

21 (5) [(6)] members of boards, commissions, and authorities
22 who are not otherwise employed by the state;

23 (6) [(7)] temporary employees hired for periods of less
24 than 12 consecutive months;

25 (7) [(8)] persons employed by the division of marine trans-
26 portation as masters and members of the crews operating the state
27 ferry system who are covered by collective bargaining agreements as
28 provided in AS 23.40.040, except as expressly provided by law;

29 (8) [(9)] persons employed by the state who are covered by

1 collective bargaining agreements as provided in AS 23.40.210, except
2 as expressly provided by law.
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STATE OF ALASKA 1988 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: Bill Version: SB 285
 Publish Date: Senate 3/24/88

Revision Date: Agency Affected: Alaska Court System
 Title: An act relating to leave for BRU: Trial Courts
 district court judges
 Sponsor: Judiciary Committee Components:
 Requestor: State Affairs

EXPENDITURES/REVENUES:	(Thousands of Dollars)					
OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
Personal Services
Travel
Contractual
Supplies
Equipment
Land & Structures
Grants & Claims
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL

REVENUE

FUNDING:	(Thousands of Dollars)					
General Funds	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
Other	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-time

Part-time

Temporary

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: *Jan Strandberg* General Counsel Phone: 264-8228
 Division: Alaska Court System Date: 03/05/88

Approved by: *Arthur H. Snowden II* Administrative Director Date: 03/05/88
 Agency: Alaska Court System

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management & Budget

ALASKA STATE LEGISLATURE

15th . . . Legislature 1st . . . Session

SENATE . . . **BELL** NO. **285**

By . . . **THE JUDICIARY COMMITTEE**

"An Act relating to leave for district court judges."

Introduced in the Senate **5/1**, 19 **87**

HISTORY IN THE SENATE

19 **87**

5 1

19 88

3 24

4 14

Read first time and referred to Committee on

STATE AFFAIRS, JUD. & FINANCE

Reported back with recommendation that

*SA: 2 do pass, 1 no rec, 1 PN to Jud
Jud: 4 do pass, previous
PN to Fin*

Read second time and

Read third time and

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration
Reconsideration not taken up

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reconsideration
Reconsideration not taken up

PASSED	Effective Date
Yeas	Yeas
Nays	Nays
Excused	Excused
Absent	Absent

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Chapter No.

Filed with Lt. Governor

A M E N D M E N T /

Offered in the SENATE

By Binkley

TO: SB 285

Page 1, line 6, after "judges":

Insert "and magistrates"

Page 1, after line 7:

Insert a new bill section to read:

"* Section 1. AS 22.15.220 is amended by adding a new subsection to read:

(e) A magistrate is entitled to leave benefits comparable to those to which a district court judge is entitled."

Renumber remaining bill sections accordingly.

Page 2, lines 13-14:

Delete "serving the state on less than a full-time basis"

Insert "[SERVING THE STATE ON LESS THAN A FULL-TIME BASIS]"

A M E N D M E N T 2

Offered in the SENATE

By Binkley

TO: SB 285

Page 1, line 6, after "to":

Insert "retirement benefits for magistrates and"

Page 1, line 6, after "judges":

Insert "; and providing for an effective date"

Page 1, after line 7:

Insert new bill sections to read:

"* Section 1. AS 22.25.010(f) is amended to read:

(f) In the computation of service for retirement under this chapter, the time served by a justice or judge of any court is added to the time served, if any, on any other court. All service rendered by a justice or judge, including service as a magistrate or deputy magistrate, before July 1, 1967, or on or after July 1, 1988, shall be included in the computation.

* Sec. 2. AS 22.25.020 is amended to read:

Sec. 22.25.020. RETIREMENT PAY. A retired member [JUSTICE OR JUDGE] eligible for retirement pay shall receive from the date of eligibility until death monthly compensation equal to five percent per year of service, to a maximum of 75 percent, of the monthly salary authorized for justices, [AND] judges, or magistrates, as appropriate

[RESPECTIVELY], at the time each retirement payment is made.

* Sec. 3. AS 22.25.030(a) is amended to read:

(a) Upon the death of a member [JUSTICE OR JUDGE] who has served for at least two years, the surviving spouse is entitled to receive monthly compensation equal to one-half of the monthly retirement pay the member [JUSTICE OR JUDGE] would thereafter have been entitled to receive if retired at the time of death. If at death the member [JUSTICE OR JUDGE] was not yet entitled to retirement pay, or was or would have been entitled to less than 60 percent of the monthly salary authorized for the office, the surviving spouse is entitled to monthly compensation equal to 30 percent of the salary authorized for a justice, judge, or magistrate, as appropriate [JUSTICES OR JUDGES, RESPECTIVELY], at the time each monthly payment is made.

* Sec. 4. AS 22.25.090(c) is amended to read:

(c) In this section, "dependent child" means an unmarried child of a member [JUSTICE, JUDGE,] or administrative director who is dependent on the member [JUSTICE, JUDGE,] or administrative director for support and who is either (1) less than 19 years old, or (2) less than 23 years old and registered at and attending on a full-time basis an accredited educational or technical institution recognized by the Department of Education. The age limits set out in this subsection do not apply to a child who is totally and permanently disabled.

* Sec. 5. AS 22.25.900 is amended by adding a new subsection to read:

(b) In this chapter, "member" means

(1) a supreme court justice;

(2) a judge of the court of appeals, a superior court

judge, or district court judge; and

(3) a magistrate or deputy magistrate."

Renumber following bill sections accordingly.

Page 3, after line 2:

Insert new bill sections to read:

"* Sec. 9. AS 39.35.680(21) is amended to read:

(21) "member" or "employee"

(A) means a person eligible to participate in the system and who is covered by the system;

(B) includes

(i) active member;

(ii) inactive member;

(iii) vested member;

(iv) deferred vested member;

(v) non-vested member;

(vi) disabled member;

(vii) retired member;

(C) does not include

(i) former members;

(ii) persons compensated on a contractual or fee basis;

(iii) casual or emergency workers or nonpermanent employees as defined in AS 39.25.200;

(iv) persons covered by the Alaska Teachers'

Retirement System;

(v) employees of the division of marine transportation engaged in operating the state ferry system who are covered by a union or group retirement system to which the state makes contributions;

(vi) justices of the supreme court or judges of the court of appeals or of the superior or district courts of Alaska or magistrates;

(vii) the administrative director of courts appointed under art. IV, sec. 16 of the state constitution unless the director becomes a member under AS 39.35.158; and

(viii) members of the elected public officers' retirement system (former AS 39.37);

(D) may include employees of the division of marine transportation excluded under (C)(v) of this paragraph provided that

(i) the State of Alaska formally agrees to their inclusion through the process of collective bargaining; and

(ii) no collective bargaining agreement has the effect of obligating contributions made by the state under AS 39.30.150 in the event the state resumes participation in the federal social security system;

* Sec. 10. Notwithstanding AS 22.25, a magistrate who had credited service under the Public Employees' Retirement System (AS 39.35) as a magistrate before July 1, 1988, and who has less than five years credited service as a member of the Judicial Retirement System (AS 22.25) when the

member retires or leaves state service may transfer the credited service under the Judicial Retirement System to the Public Employees' Retirement System by making a written election to receive retirement coverage and benefits under the Public Employees' Retirement System rather than under the Judicial Retirement System. The written election is irrevocable.

* Sec. 11. To be consistent with the changes made by this Act, wherever in AS 22.25 of the Alaska Statutes and in regulations adopted under that chapter the terms "justices or judges" or "justices and judges" are used, they shall be read as referring to a "member." Under AS 01.05.031, the revisor of statutes shall implement this section in the statutes and under AS 44.62.125(b)(5), the regulations attorney shall implement this section in the administrative regulations.

* Sec. 12. Sections 1 - 4 and 9 - 11 of this Act take effect July 1, 1988."

A M E N D M E N T 3

Offered in the SENATE

By Binkley

TO: SB 285

Page 1, line 6, after "judges":

Insert "; retirement for justices, judges, and the administrative director of the court system; and providing for an effective date"

Page 3, after line 2:

Insert new bill sections to read:

"* Sec. 4. AS 39.35.680(21) is amended to read:

(21) "member" or "employee"

(A) means a person eligible to participate in the system and who is covered by the system;

(B) includes

(i) active member;

(ii) inactive member;

(iii) vested member;

(iv) deferred vested member;

(v) non-vested member;

(vi) disabled member;

(vii) retired member;

(C) does not include

(i) former members;

(ii) persons compensated on a contractual or fee basis;

(iii) casual or emergency workers or nonpermanent employees as defined in AS 39.25.200;

(iv) persons covered by the Alaska Teachers' Retirement System;

(v) employees of the division of marine transportation engaged in operating the state ferry system who are covered by a union or group retirement system to which the state makes contributions; and

(vi) [JUSTICES OF THE SUPREME COURT OR JUDGES OF THE COURT OF APPEALS OR OF THE SUPERIOR OR DISTRICT COURTS OF ALASKA;

(vii) THE ADMINISTRATIVE DIRECTOR OF COURTS APPOINTED UNDER ART. IV, SEC. 16 OF THE STATE CONSTITUTION UNLESS THE DIRECTOR BECOMES A MEMBER UNDER AS 39.35.158; AND

(viii)] members of the elected public officers' retirement system (former AS 39.37);

(D) may include employees of the division of marine transportation excluded under (C)(v) of this paragraph provided that

(i) the State of Alaska formally agrees to their inclusion through the process of collective bargaining; and

(ii) no collective bargaining agreement has the effect of obligating contributions made by the state under AS 39.30.150 in the event the state resumes participation in the federal social security system;

* Sec. 5. AS 22.25 is repealed.

* Sec. 6. Sections 4 and 5 of this Act apply to a justice, judge, or administrative director of the Alaska court system first appointed to a position that would have been covered by the former Judicial Retirement System on or after July 1, 1988.

* Sec. 7. Notwithstanding the repeal of AS 22.25 contained in sec. 5 of this Act, a person who was a member of or was receiving benefits under the Judicial Retirement System on June 30, 1988, shall continue to participate in the Judicial Retirement System under AS 22.25 as the chapter existed on June 30, 1988.

* Sec. 8. Sections 4 - 7 of this Act take effect July 1, 1988."