

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

3858 SCRA SB 69 - SB 108 704



# RECORDS CERTIFICATION



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*James O. Smith*  
Signature of Camera Operator

*10/31/89*  
Date

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STATE OF ALASKA  
THE LEGISLATURE

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JUNEAU, ALASKA 99811  
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May, 1986

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS date base CM 14. In order to save space copies of minutes have not been left in the files.

Jeanie Henry

*Senate Community and Regional Affairs*

*2/28/85, 3:37*

*3/14/85, 3:37*

*4/4/85, 3:45*

MEMORANDUM

TO: Senator Coghill  
FROM: Mike Dalton *MD*  
RE: SB 69, licensing and regs re liquor licenses  
DATE: Monday, March 4

---

You asked Senator DeVries to hold back SB 69 so you could call a couple roadhouse operators regarding the 90-day amendment versus 30 days that is currently in the law.

Want me to call somebody for you.

Need some phone numbers?

*Back to 30 DAYS*

*bill attached*

Introduced: 1/21/85  
Referred: Community and Regional  
Affairs and Judiciary

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2

SENATE BILL NO. 69

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to licensing and regulation of the  
7 sale and distribution of alcoholic beverages; and  
8 providing for an effective date."

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

10 \* Section 1. AS 04.11.240(b) is amended to read:

11 (b) An application for a special events permit [MUST BE RECEIVED  
12 IN THE MAIN OFFICE OF THE BOARD AT LEAST 10 DAYS BEFORE THE DATE FOR  
13 WHICH THE PERMIT IS REQUESTED. THE APPLICATION] must be signed by  
14 both the president and secretary of the organization applying for the  
15 permit. A sworn affidavit showing the length of time the organization  
16 has been in existence must accompany the application, together with a  
17 certified copy of the resolution of the board of directors authorizing  
18 the application. The written approval of the law enforcement agency  
19 having jurisdiction over the designated premises of the occasion for  
20 which the permit is sought must also be obtained and accompany the  
21 application.

22 \* Sec. 2. AS 04.11.330(a)(3) is amended to read:

23 (3) the applicant has not operated the licensed premises  
24 for at least 90 [30] eight-hour days during the immediately preceding  
25 calendar year, unless the board determines that the licensed premises  
26 are under construction or cannot be operated through no fault of the  
27 applicant;

28 \* Sec. 3. AS 04.11.330(a) is amended by adding a new paragraph to read

29 (10) the application contains false statements of material

1 fact.

2 \* Sec. 4. AS 04.11.490(c) is amended to read:

3 (c) If a majority of the voters vote "no" on the question set  
4 out in (a) of this section or vote "yes" on a question set out in  
5 AS 04.11.492 or 04.11.500 in an election conducted in accordance with  
6 AS 04.11.502 after an election in which the voters voted "yes" on the  
7 question set out in (a) of this section, the board shall be notified  
8 immediately after certification of the results of the election.  
9 Thereafter, the prohibitions imposed under (b) of this section on the  
10 issuance, renewal, or transfer of licenses between holders and lo-  
11 cation as a result of the earlier election are removed except insofar  
12 as those prohibitions are imposed in accordance with the results of  
13 the subsequent election and under AS 04.11.504(b) and AS 04.11.510(d).

14 \* Sec. 5. AS 04.11.492(c) is amended to read:

15 (c) If a majority of the voters vote "no" on the question set  
16 out in (a) of this section or vote "yes" on a question set out in  
17 AS 04.11.490, 04.11.496, or 04.11.500 in an election conducted in  
18 accordance with AS 04.11.502 after an election in which the voters  
19 voted "yes" on the question set out in (a) of this section, the board  
20 shall be notified immediately after a certification of the results of  
21 the election. The prohibitions imposed under (b) of this section on  
22 the issuance, renewal, or transfer of licenses between holders and  
23 locations as a result of the earlier election are removed 90 days  
24 after the results of the election are certified except insofar as  
25 those prohibitions are imposed in accordance with the results of the  
26 subsequent election and under AS 04.11.504(b) and AS 04.11.510(d).

27 \* Sec. 6. AS 04.11.496(c) is amended to read:

28 (c) If a majority of the voters vote "no" on the question set  
29 out in (a) of this section or vote "yes" on the questions set out in

1 AS 04.11.492 or 04.11.500 in an election conducted in accordance with  
2 AS 04.11.502 after an election in which the voters voted "yes" on the  
3 question set out in (a) of this section, the prohibition on the impor-  
4 tation of alcoholic beverages and the prohibition on the issuance,  
5 renewal, or transfers of licenses between holders and locations,  
6 imposed as a result of the earlier election in which the voters voted  
7 "yes" on the question set out in (a) of this section are removed  
8 effective on the first day of the month following certification of the  
9 results of the election except as those prohibitions continue to be  
10 imposed in accordance with the results of the subsequent election and  
11 under AS 04.11.504(b) and AS 04.11.510(d).

12 \* Sec. 7. AS 04.11.500(c) is amended to read:

13 (c. If the majority of the voters vote "no" on the question set  
14 out in (a) of this section or vote "yes" on the questions set out in  
15 AS 04.11.490, 04.11.492, or 04.11.496[, OR THIS SECTION IF DIFFERENT  
16 TYPES OF LICENSES ARE LISTED ON THE BALLOT] in an election conducted  
17 in accordance with AS 04.11.502 after an election in which the voters  
18 voted "yes" on the question set out in (a) of this section, the board  
19 shall be notified immediately after certification of the results of  
20 the election. Licenses in effect in the municipality and [,] in the  
21 unincorporated area outside of but within five miles of the boundaries  
22 of the municipality or established village which were excepted from  
23 the prohibition on sale in accordance with the results of the earlier  
24 election are void 90 days after the results of the election are cer-  
25 tified. Thereafter the board may not issue, renew, or transfer be-  
26 tween holders or locations a license for licensed premises located  
27 within the boundaries of the municipality, [OR] within the perimeter  
28 of an established village, or in an unincorporated area within five  
29 miles of the boundaries of the municipality, except a license which

1 may be issued to a municipality or to one of the types of licenses  
2 listed on the ballot as a result of a majority of the voters voting  
3 "yes" on the question set out in AS 04.11.492 or this section, respec-  
4 tively. A license which will expire during the 90 days after the  
5 results of a local option election under this section are certified  
6 may be extended, until it is void under this subsection, by payment of  
7 a prorated portion of the annual license fee.

8 \* Sec. 8. AS 04.11.502(b) is amended to read:

9 (b) The lieutenant governor, whenever 35 percent of the regis-  
10 tered voters residing within an established village petition the  
11 lieutenant governor to do so, shall place upon a separate ballot at a  
12 special election that question or combination of questions set out in  
13 AS 04.11.490, 04.11.496, and [--] 04.11.500 which constitutes the  
14 subject of the petition. The lieutenant governor shall conduct the  
15 election in the general manner prescribed by the Alaska Election Code  
16 (AS 15.05.010 -- AS 15.60.020).

17 \* Sec. 9. AS 04.11.506(b)(1) is amended to read:

18 (1) the board shall notify by registered or certified mail  
19 all holders of package store licenses of the prohibition;

20 \* Sec. 10. AS 04.11.510(d) is amended to read:

21 (d) The board may not accept an application for the issuance,  
22 renewal, or transfer of a license within one year after a local option  
23 election, other than an application for a temporary extension of a  
24 license under AS 04.11.490(b), 04.11.492(b), 04.11.496(b), or 04.11.-  
25 500(b).

26 \* Sec. 11. AS 04.16.030(1) is amended to read:

27 (3) allow a drunken person to <sup>consume an alcoholic beverage</sup> enter or [AND] remain within  
28 licensed premises or to consume an alcoholic beverage within licensed  
29 premises;

1 \* Sec. 12. AS 04.21.080(b)(8) is amended to read:

2 (8) "established village" means [(A)] an unincorporated  
3 community [THAT IS IN THE UNORGANIZED BOROUGH AND] that

4 (A) has 25 or more permanent residents; [OR]

5 (B) is within a circle, with a five-mile radius,  
6 around a United States post office or, if there is no United  
7 States post office, around another site reasonably designated by  
8 the local governing body or, if there is no local governing body,  
9 by the board; and

10 (C) if it [(B) AN UNINCORPORATED COMMUNITY THAT] is in  
11 an organized borough, [HAS 25 OR MORE PERMANENT RESIDENTS, AND]

12 (i) is on a road system and is located more than  
13 50 miles outside the boundary limits of a unified municipal-  
14 ity, or

15 (ii) is not on a road system and is located more  
16 than 15 miles outside the boundary limits of a unified  
17 municipality;

18 \* Sec. 13. Section 2 of this Act takes effect January 1, 1986.

19 \* Sec. 14. Sections 1 and 3 -- 12 of this Act take effect immediately  
20 in accordance with AS 01.10.070(c).

Senator John B. (Jack) Coghill  
Alaska State Legislature

Pouch V  
Juneau, Alaska 99811  
(907) 465-1715

Box 158  
Nenana, Alaska 99760  
(907) 852-5171



TO: Senator DeVries

FROM: Senator Coghill

RE: SB69

Sec. 11. AS 04.16.030(3) of SB 69 as amended would prohibit a licensee, his agent or his employee from allowing a drunken person to enter or remain within the licensee's premises. I do not agree with this. I believe this will create more harm than good. It effectively places the drunken driver back on the street. And in terms of the Dram Shop Act and stricter court rulings in regard to drunken drivers, I have serious concerns about the bar owners liability when he turns this inebriated person back on the street.

I am proposing the attached amendment which will create a new section dealing with this issue. The licensee, his agent or employee would be unable to evict a person from the premises if the person is drunk. If the person was evicted, affirmative defenses relating to the licensee's knowledge of alternative means of leaving would be allowed. If the premises were closing the local police would be called.

A M E N D M E N T

Offered in the SENATE

By Coghill

TO: SB 69

Page 4, lines 27 - 28:

Delete: "enter or [AND] remain within licensed premises or to"

Insert: "[ENTER AND REMAIN WITHIN LICENSED PREMISES OR TO]"

Page 4, following line 29, insert new bill sections to read:

\*\* Sec. 12. AS 04.16.040 is repealed and reenacted to read:

Sec. 04.16.040. POSSESSION OR CONSUMPTION BY DRUNKEN PERSONS WITHIN LICENSED PREMISES. A drunken person may not knowingly consume, possess, or control alcoholic beverages within licensed premises.

\* Sec. 13. AS 04.16 is amended by adding a new section to read:

Sec. 04.16.043. DRUNKEN PERSONS ON PREMISES. (a) Except as otherwise provided by law, a licensee or a licensee's agent or employee may not evict from licensed premises a person known by the licensee or agent to be drunken.

(b) In a prosecution under (a) of this section it is an affirmative defense that at the time the drunken person was evicted

(1) the licensee or the licensee's agent or employee reasonably believed that the person resided within walking distance of the premises and intended to walk to the person's residence;

(2) the licensee or the licensee's agent or employee reasonably believed that a third party who escorted the drunken person

from the premises was sober and would provide transportation to the drunken person's residence; or

(3) the premises were closed to business and a state or local law enforcement officer with jurisdiction over the premises had been notified that a drunken person was being evicted."

Renumber succeeding sections accordingly.

Original sponsor: Rules/Governor

1 IN THE SENATE

BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 69 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE -- FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to licensing and regulation of the  
7 sale and distribution of alcoholic beverages; and  
8 providing for an effective date."

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

10 \* Section 1. AS 04.11.240(b) is amended to read:

11 (b) An application for a special events permit [MUST BE RECEIVED  
12 IN THE MAIN OFFICE OF THE BOARD AT LEAST 10 DAYS BEFORE THE DATE FOR  
13 WHICH THE PERMIT IS REQUESTED. THE APPLICATION] must be signed by  
14 both the president and secretary of the organization applying for the  
15 permit. A sworn affidavit showing the length of time the organization  
16 has been in existence must accompany the application, together with a  
17 certified copy of the resolution of the board of directors authorizing  
18 the application. The written approval of the law enforcement agency  
19 having jurisdiction over the designated premises of the occasion for  
20 which the permit is sought must also be obtained and accompany the  
21 application.

22 \* Sec. 2. AS 04.11.330(a)(3) is amended to read:

23 (3) the applicant has not operated the licensed premises  
24 for at least 45 [30] eight-hour days during the immediately preceding  
25 calendar year, unless the board determines that the licensed premises  
26 are under construction or cannot be operated through no fault of the  
27 applicant;

28 \* Sec. 3. AS 04.11.330(a) is amended by adding a new paragraph to read:

29 (10) the application contains false statements of material

1 fact.

2 \* Sec. 4. AS 04.11.490(c) is amended to read:

3 (c) If a majority of the voters vote "no" on the question set  
4 out in (a) of this section or vote "yes" on a question set out in  
5 AS 04.11.492 or 04.11.500 in an election conducted in accordance with  
6 AS 04.11.502 after an election in which the voters voted "yes" on the  
7 question set out in (a) of this section, the board shall be notified  
8 immediately after certification of the results of the election.  
9 Thereafter, the prohibitions imposed under (b) of this section on the  
10 issuance, renewal, or transfer of licenses between holders and lo-  
11 cation as a result of the earlier election are removed except insofar  
12 as those prohibitions are imposed in accordance with the results of  
13 the subsequent election and under AS 04.11.504(b) and AS 04.11.510(d).

14 \* Sec. 5. AS 04.11.492(c) is amended to read:

15 (c) If a majority of the voters vote "no" on the question set  
16 out in (a) of this section or vote "yes" on a question set out in  
17 AS 04.11.490, 04.11.496, or 04.11.500 in an election conducted in  
18 accordance with AS 04.11.502 after an election in which the voters  
19 voted "yes" on the question set out in (a) of this section, the board  
20 shall be notified immediately after a certification of the results of  
21 the election. The prohibitions imposed under (b) of this section on  
22 the issuance, renewal, or transfer of licenses between holders and  
23 locations as a result of the earlier election are removed 90 days  
24 after the results of the election are certified except insofar as  
25 those prohibitions are imposed in accordance with the results of the  
26 subsequent election and under AS 04.11.504(b) and AS 04.11.510(d).

27 \* Sec. 6. AS 04.11.496(c) is amended to read:

28 (c) If a majority of the voters vote "no" on the question set  
29 out in (a) of this section or vote "yes" on the questions set out in

AS 04.11.492 or 04.11.500 in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the prohibition on the importation of alcoholic beverages and the prohibition on the issuance, renewal, or transfers of licenses between holders and locations, imposed as a result of the earlier election in which the voters voted "yes" on the question set out in (a) of this section are removed effective on the first day of the month following certification of the results of the election except as those prohibitions continue to be imposed in accordance with the results of the subsequent election and under AS 04.11.504(b) and AS 04.11.510(d).

\* Sec. 7. AS 04.11.500(c) is amended to read:

(c) If the majority of the voters vote "no" on the question set out in (a) of this section or vote "yes" on the questions set out in AS 04.11.490, 04.11.492, or 04.11.496 [, OR THIS SECTION IF DIFFERENT TYPES OF LICENSES ARE LISTED ON THE BALLOT] in an election conducted in accordance with AS 04.11.502 after an election in which the voters voted "yes" on the question set out in (a) of this section, the board shall be notified immediately after certification of the results of the election. Licenses in effect in the municipality and [,] in the unincorporated area outside of but within five miles of the boundaries of the municipality or established village which were excepted from the prohibition on sale in accordance with the results of the earlier election are void 90 days after the results of the election are certified. Thereafter the board may not issue, renew, or transfer between holders or locations a license for licensed premises located within the boundaries of the municipality, [OR] within the perimeter of an established village, or in an unincorporated area within five miles of the boundaries of the municipality, except a license which

1 may be issued to a municipality or to one of the types of licenses  
2 listed on the ballot as a result of a majority of the voters voting  
3 "yes" on the question set out in AS 04.11.492 or this section, respec-  
4 tively. A license which will expire during the 90 days after the  
5 results of a local option election under this section are certified  
6 may be extended, until it is void under this subsection, by payment of  
7 a prorated portion of the annual license fee.

8 \* Sec. 8. AS 04.11.502(b) is amended to read:

9 (b) The lieutenant governor, whenever 35 percent of the regis-  
10 tered voters residing within an established village petition the  
11 lieutenant governor to do so, shall place upon a separate ballot at a  
12 special election that question or combination of questions set out in  
13 AS 04.11.490, 04.11.496, and [-] 04.11.500 which constitutes the  
14 subject of the petition. The lieutenant governor shall conduct the  
15 election in the general manner prescribed by the Alaska Election Code  
16 (AS 15.05.010 - AS 15.60.020).

17 \* Sec. 9. AS 04.11.506(b) is amended to read:

18 (b) If a majority of the voters vote "yes" on a question set out  
19 in AS 04.11.496, the following actions, in addition to those pre-  
20 scribed in (a) of this section, shall be undertaken before the date  
21 the prohibition on importation becomes effective:

22 (1) the board shall notify by registered or certified mail  
23 all holders of package store licenses of the prohibition;

24 (2) the municipality or established village shall post  
25 notice of the prohibition in the municipality or village.

26 \* Sec. 10. AS 04.11.510(d) is amended to read:

27 (d) The board may not accept an application for the issuance,  
28 renewal, or transfer of a license within one year after a local option  
29 election, other than an application for a temporary extension of a

1 license under AS 04.11.490(b), 04.11.492(b), 04.11.496(b), or 04.11.-  
2 500(b).

3 \* Sec. 11. AS 04.21.080(b)(8) is amended to read:

4 (8) "established village" means [(A)] an unincorporated  
5 community [THAT IS IN THE UNORGANIZED BOROUGH AND] that

6 (A) has 25 or more permanent residents; [OR,

7 (B) is within a circle, with a five-mile radius,  
8 around a United States post office or, if there is no United  
9 States post office, around another site reasonably designated by  
10 the local governing body or, if there is no local governing body,  
11 by the board; and

12 (C) if it [(B) AN UNINCORPORATED COMMUNITY THAT] is in  
13 an organized borough, [HAS 25 OR MORE PERMANENT RESIDENTS, AND]

14 (i) is on a road system and is located more than  
15 50 miles outside the boundary limits of a unified municipal-  
16 ity, or

17 (ii) is not on a road system and is located more  
18 than 15 miles outside the boundary limits of a unified  
19 municipality;

20 \* Sec. 12. Section 2 of this Act takes effect January 1, 1986.

21 \* Sec. 13. Sections 1 and 3 - 11 of this Act take effect immediately in  
22 accordance with AS 01.10.070(c).

Introduced: 1/21/85  
Referred: Community and Regional  
Affairs and Judiciary

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2

SENATE BILL NO. 69

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to licensing and regulation of the  
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12 IN THE MAIN OFFICE OF THE BOARD AT LEAST 10 DAYS BEFORE THE DATE FOR  
13 WHICH THE PERMIT IS REQUESTED. THE APPLICATION] must be signed by  
14 both the president and secretary of the organization applying for the  
15 permit. A sworn affidavit showing the length of time the organization  
16 has been in existence must accompany the application, together with a  
17 certified copy of the resolution of the board of directors authorizing  
18 the application. The written approval of the law enforcement agency  
19 having jurisdiction over the designated premises of the occasion for  
20 which the permit is sought must also be obtained and accompany the  
21 application.

22 \* Sec. 2. AS 04.11.330(a)(3) is amended to read:

23 (3) the applicant has not operated the licensed premises  
24 for at least <sup>45</sup>~~90~~ [30] eight-hour days during the immediately preceding  
25 calendar year, unless the board determines that the licensed premises  
26 are under construction or cannot be operated through no fault of the  
27 applicant;

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29 (10) the application contains false statements of material

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6 AS 04.11.502 after an election in which the voters voted "yes" on the  
7 question set out in (a) of this section, the board shall be notified  
8 immediately after certification of the results of the election.  
9 Thereafter, the prohibitions imposed under (b) of this section on the  
10 issuance, renewal, or transfer of licenses between holders and lo-  
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18 accordance with AS 04.11.502 after an election in which the voters  
19 voted "yes" on the question set out in (a) of this section, the board  
20 shall be notified immediately after a certification of the results of  
21 the election. The prohibitions imposed under (b) of this section on  
22 the issuance, renewal, or transfer of licenses between holders and  
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6 imposed as a result of the earlier election in which the voters voted  
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24 license under AS 04.11.490(b), 04.11.492(b), 04.11.496(b), or 04.11.-  
25 500(b).

26 \* Sec. 11. AS 04.16.030(3) is amended to read:

27 (3) allow a drunken person to enter <sup>and</sup> ~~and~~ remain within  
28 licensed premises or to consume an alcoholic beverage within licensed  
29 premises;

1 \* Sec. 12. AS 04.21.080(b)(8) is amended to read:

2 (8) "established village" means [(A)] an unincorporated  
3 community [THAT IS IN THE UNORGANIZED BOROUGH AND] that

4 (A) has 25 or more permanent residents; [OR]

5 (B) is within a circle, with a five-mile radius,  
6 around a United States post office or, if there is no United  
7 States post office, around another site reasonably designated by  
8 the local governing body or, if there is no local governing body,  
9 by the board; and

10 (C) if it [(B) AN UNINCORPORATED COMMUNITY THAT] is in  
11 an organized borough, [HAS 25 OR MORE PERMANENT RESIDENTS, AND]

12 (i) is on a road system and is located more than  
13 50 miles outside the boundary limits of a unified municipal-  
14 ity, or

15 (ii) is not on a road system and is located more  
16 than 15 miles outside the boundary limits of a unified  
17 municipality;

18 \* Sec. 13. Section 2 of this Act takes effect January 1, 1986.

19 \* Sec. 14. Sections 1 and 3 -- 12 of this Act take effect immediately  
20 in accordance with AS 01.10.070(c).

COMMITTEE REPORT  
SENATE

FURTHER: JUDICIARY

1/21/85

Date April 4, 1985

Mr. President

The Committee on C&RA considered SB 69  
licensing and regulation of the sale and distribution of alcoholic  
beverages; efd.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for SB 69 (C&RA)
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT" [ ] NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]  
[Signature]  
Julius Sturgulevski  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Edo De Vries  
Chairman  
Do Pass  
Chairman recommendation

COMMITTEE REPORT  
SENATE

FURTHER:

JUDICIARY

1/21/85

Date April 4, 1985

Mr. President

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licensing and regulation of the sale and distribution of alcoholic beverages; *afd.*

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- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature]  
Chairman

[Signature]  
Chairman recommendation



Official Business

# Alaska State Legislature

## Community & Regional Affairs Committee

Pouch V  
State Capitol  
Juneau, Alaska 99811

C&RA Committee Meeting -- March 28, 1985

SB 69 -- "An Act relating to licensing and regulation of the sale and distribution of alcoholic beverages -- ZERO Fiscal Note by the Governor

Heard by Committee on Feb 28

Extended testimony by Pat Sharrock as an overview of bill

Senator Coghill asked that the bill be held pending an amendment

Heard by Committee on March 14

Amendment #1 by Coghill ==  
Page 1, Line 24 -- delete [90] and insert "45"

Passed unanimously

Additional amendment discussed --- no wording agreed to ---- bill held over

March 28 --

Amendment proposed by Senator Coghill is attached.....

Pat Sharrock will be available  
by phone hook-up for discussion  
on this - at 3:30p.

Senator John B. (Jack) Coghill  
Alaska State Legislature

Pouch V  
Juneau, Alaska 99811  
(907) 465-4745

Box 458  
Nenana, Alaska 99760  
(907) 852-5471



Rec'd 3/21/85 ya

TO: Senator DeVries

FROM: Senator Coghill

RE: SB69

Sec. 11. AS 04.16.030(3) of SB 69 as amended would prohibit a licensee, his agent or his employee from allowing a drunken person to enter or remain within the licensee's premises. I do not agree with this. I believe this will create more harm than good. It effectively places the drunken driver back on the street. And in terms of the Dram Shop Act and stricter court rulings in regard to drunken drivers, I have serious concerns about the bar owners liability when he turns this inebriated person back on the street.

I am proposing the attached amendment which will create a new section dealing with this issue. The licensee, his agent or employee would be unable to evict a person from the premises if the person is drunk. If the person was evicted, affirmative defenses relating to the licensee's knowledge of alternative means of leaving would be allowed. If the premises were closing the local police would be called.

A M E N D M E N T

Offered in the SENATE

By Coghill

TO: SB 69

Page 4, lines 27 - 28:

Delete: "enter or [AND] remain within licensed premises or to"

Insert: "[ENTER AND REMAIN WITHIN LICENSED PREMISES OR TO]"

Page 4, following line 29, insert new bill sections to read:

"\* Sec. 12. AS 04.16.040 is repealed and reenacted to read:

Sec. 04.16.040. POSSESSION OR CONSUMPTION BY DRUNKEN PERSONS WITHIN LICENSED PREMISES. A drunken person may not knowingly consume, possess, or control alcoholic beverages within licensed premises.

\* Sec. 13. AS 04.16 is amended by adding a new section to read:

Sec. 04.16.043. DRUNKEN PERSONS ON PREMISES. (a) Except as otherwise provided by law, a licensee or a licensee's agent or employee may not evict from licensed premises a person known by the licensee or agent to be drunken.

(b) In a prosecution under (a) of this section it is an affirmative defense that at the time the drunken person was evicted

(1) the licensee or the licensee's agent or employee reasonably believed that the person resided within walking distance of the premises and intended to walk to the person's residence;

(2) the licensee or the licensee's agent or employee reasonably believed that a third party who escorted the drunken person

from the premises was sober and would provide transportation to the drunken person's residence; or

(3) the premises were closed to business and a state or local law enforcement officer with jurisdiction over the premises had been notified that a drunken person was being evicted."

Renumber succeeding sections accordingly.

Reinwand  
amend.

\* Sec. 2. AS 04.11.330(a)(3) is amended to read:

(3) the applicant has not operated the licensed premises for at least 90 [30] eight-hour days during the immediately preceding calendar year, or 30 days for a license issued or approved for a six-month period under AS 04.11.680, unless the board determines that the licensed premises are under construction or cannot be operated through no fault of the applicant.

(c) The Department of Revenue shall recover any amounts erroneously refunded under (a) of this section. The Department of Revenue shall schedule repayments of erroneously refunded amounts over a sufficient period of time to minimize financial hardship to the municipality involved. (§ 2 ch 131 SLA 1980)

**Sec. 04.11.630. Accessibility of license and licensed premises to inspection.** (a) A licensee shall, upon request, make this licensed premises and places authorized for storage under AS 04.21.060 available for inspection by officers charged with the enforcement of this title, including members of the board and the director or his employee, during all regular business hours.

(b) A license issued under this title shall be posted within the licensed premises so as to be easily available for inspection upon request by a peace officer or other person during regular business hours. (§ 2 ch 131 SLA 1980)

**Sec. 04.11.660. License a privilege.** (a) A license issued under this title is a personal privilege, not a property right.

(b) The privilege conferred upon the licensee is personal in nature and affords protection to the licensee only. (§ 2 ch 131 SLA 1980)

**Editor's note.** — The cases cited in the note below were decided under former AS 04.10.030 and 04.10.330.

**Liquor license creates no vested right.** — There is no vested right in the grant or continuance of a liquor license. *Bentley v. Kirbo*, 169 F. Supp. 38 (D. Alaska, 1958). See also *United States v. Bordenelli*, 15 Alaska 88 (1954); *In re Application of Harris*, 15 Alaska 250 (1954).

**It is a personal privilege.** — A liquor license is not a property right but a personal privilege. *Bentley v. Kirbo*, 169 F. Supp. 38 (D. Alaska, 1958).

**Am. Jur. 2d and C.J.S. references.** — 45 Am. Jur. 2d Intoxicating Liquors §§ 115-117.

48 C.J.S. Intoxicating Liquors § 99

**Sec. 04.11.670. Foreclosure.** A license issued under this title is not subject to foreclosure, and may not be used as collateral to secure a debt. However, if a license is transferred to another person, the transferor may secure payment for real and personal property conveyed to the transferee upon the promise of the transferee to transfer the license back to the transferor upon default in payment. (§ 2 ch 131 SLA 1980)

**Sec. 04.11.680. Duration of licenses and permits.** (a) Upon application and payment of one-half of the annual fee, the board may issue a license under AS 04.06.010 — 04.21.080 which will be effective for a continuous six-month period. Otherwise, all licenses issued under AS 04.06.010 — 04.21.080 other than a retail stock sale license are effective for the calendar year ending December 31, unless a shorter period is prescribed by the board or by law.

(b) A permit issued under AS 04.06.010 — 04.21.080 shall be for the period prescribed by the board, which period shall be clearly designated on the permit. (§ 2 ch 131 SLA 1980; am § 13 ch 28 SLA 1981)

**Effect of amendments.** — The 1981 amendment added "or by law" at the end of the second sentence of subsection (a).

**C.J.S. reference.** — 48 C.J.S. Intoxicating Liquors § 115.

**Sec. 04.11.690. Discouragement of monopolies.** (a) In a general sense, it is against the public interest that the issuance, renewal or transfer of licenses issued under this title will create, or assist in the creation of, a monopoly.

(b) The board may submit proposals to the governor and the legislature addressed to the discouragement of the creation of monopolies.

(c) The board may not by regulation adopt a definition of a monopoly. (§ 2 ch 131 SLA 1980)

**Am. Jur. 2d reference.** — 45 Am. Jur. 2d Intoxicating Liquors §§ 228-231.

**Sec. 04.11.700. Refusal of service.** A licensee, his agent, or employee may refuse to sell, give, or serve alcoholic beverages to a person if the licensee, his agent, or employee reasonably believes that the consumption of alcohol by that person may result in serious harm to that person or to others. (§ 2 ch 131 SLA 1980)

## Chapter 15. Regulation of Sales and Distribution.

### Section

10 — 115. [Repealed]

**Secs. 04.15.010 — 04.15.115.**

Repealed by § 12 ch 131 SLA 1980.

**Cross references.** — For present provisions covering the subject matter of the repealed chapter generally, see AS 04.16. For present provisions concerning restriction of location near churches and schools, see AS 04.11.410. For present provisions concerning accessibility of premises to inspection, see AS 04.11.630. For present provisions concerning municipal regulation, see AS 04.21.010. For present provisions concerning proof of age, see AS 04.21.050. For present provisions concerning warehousing of alcoholic beverages, see AS 04.21.060.

**Editor's note.** — The repealed chapter derived from §§ 35-4-3(G), 35-4-15(1) — (9), 35-4-15(11) — (15), 35-4-18, 35-4-20, ACLA 1949, § 1, ch. 83, SLA 1949; § 1, ch. 54, SLA 1951; § 1, ch. 36, SLA 1953; § 1, ch. 116, SLA 1953; § 1, ch. 115, SLA 1955; § 2, ch. 131, SLA 1957; § 1, ch. 71, SLA 1959; §§ 1, 2, ch. 80, SLA 1959; § 2, ch.

197, SLA 1959; § 1, ch. 86, SLA 1960; §§ 5, 6, ch. 183, SLA 1960; § 1, ch. 2, SLA 1964; §§ 1, 2, ch. 3, SLA 1964; §§ 1, 2, ch. 40, SLA 1964; § 1, ch. 118, SLA 1966; § 1, ch. 18, SLA 1967; § 1, ch. 120, SLA 1967; § 1, ch. 126, SLA 1967; § 1, ch. 137, SLA 1967; § 1, ch. 84, SLA 1968; § 1, ch. 122, SLA 1970; §§ 19 — 23, ch. 245, SLA 1970; §§ 1, 2, ch. 60, SLA 1971; § 9, ch. 108, SLA 1971; § 1, ch. 117, SLA 1972; § 3, ch. 37, SLA 1973; §§ 8 — 10, ch. 53, SLA 1973; § 2, ch. 139, SLA 1974; § 1, ch. 182, SLA 1975; §§ 1, 2, ch. 112, SLA 1976; § 4, ch. 184, SLA 1976; §§ 5 — 8, 15, ch. 129, SLA 1980.

**Legislative history reports.** — For report on ch. 118, SLA 1966, see 1966 House Journal, p. 707. For report on ch. 18, SLA 1967 (SB 39), see 1967 House Journal, p. 238. For report on ch. 120, SLA 1967 (HB 255), see 1967 House Journal, p. 539. For report on ch. 126, SLA 1967 (HB



Official Business

# Alaska State Legislature

## Senate

### Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman

Members:

Senator Ferguson, Vice Chairman

Senator Coghill

Senator Sturgulewski

Senator V. Fischer

Pouch V

Juneau, Alaska 99811

4/8/85

Amendments pas. ed by Senate C&RA 4/4/85 - **SB-69**

Page 1, line 24

delete [90] and insert "45"

Page 4, line 27

delete [to enter or [AND] remain]

insert "to enter and remain"

(Note: the Page 4, line 27 amendment goes back to the language as it is presently in the statute.)



Official Business

# Alaska State Legislature

## Community & Regional Affairs Committee

Pouch V  
State Capitol  
Juneau, Alaska 99811

C&RA Committee Meeting -- March 28, 1985

SB 69 -- "An Act relating to licensing and regulation of the sale and distribution of alcoholic beverages -- ZERO Fiscal Note by the Governor

Heard by Committee on Feb 28

Extended testimony by Pat Sharrock as an overview of bill

Senator Coghill asked that the bill be held pending an amendment

Heard by Committee on March 14

Amendment #1 by Coghill ==  
Page 1, Line 24 -- delete [90] and insert "45"

Passed unanimously

Additional amendment discussed --- no wording agreed to ---- bill held over

March 28 --

Amendment proposed by Senator Coghill is attached.....

*Pat Sharrock will be available by phone hook-up for discussion on this - at 3:30p.*



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

SB 69 2869

January 21, 1985

The Honorable Don Bennett  
President of the Senate  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Senator Bennett:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the licensing and regulation of the sale and distribution of alcoholic beverages.

This bill, which was requested by the Alcoholic Beverage Control Board, includes mostly technical, housekeeping amendments to AS 04.11, "Licensing," and a technical amendment to AS 04.16, "Regulation of Sales and Distribution." The most substantive of the amendments made by this bill are at sec. 2 and sec. 12.

Section 2 of the bill increases from 30 days to 90 days the minimum number of days for which all businesses with liquor licenses must operate each year. Businesses that do not operate for the minimum period are denied license renewal unless the premises are under construction or cannot be operated for another reason that is not the fault of the owner.

Section 12 of the bill amends the definition of the term "established village" to allow for ready determination of the boundaries of such a village. Before 1983, these boundaries were determined by drawing a circle, with a five-mile radius, around a U.S. post office. That provision was deleted as part of an extensive revision to the definition in 1983, and under present law there is no clear way of determining village boundaries. The attached bill restores the five-mile-radius method of determining the boundaries, and also makes provision for villages that do not have a U.S. post office. Several provisions of AS 04 cannot be adequately implemented in the absence of readily determinable village boundaries. These provisions include: (1) AS 04.11.480, under which a village council may "protest" the issuance of a liquor license inside the

sh 69

village; (2) AS 04.11.400, under which the number of licenses that may be issued inside a village is based upon the size of the population residing inside the village; and (3) AS 04.11.490 -- 04.11.502, under which established villages may, on the approval of a majority of residents within the village, exercise a "local option" restricting or prohibiting the sale or importation of alcohol inside the village and within a fixed distance beyond the "perimeter" of the village. The selection of five miles as the length of the radius is based on previous law. The substitution of any other reasonable distance would also resolve the problems this section of the bill is intended to resolve.

Section 1 of the attached bill deletes from AS 04.11.240(b) the requirement that requests for special events permits be received by the board 10 days before the event. The 10-day requirement is often impossible to meet and is unnecessary.

Section 9 of the bill amends AS 04.11.506(b)(1) to give the board the option of using certified mail rather than registered mail to notify all package stores in the state of the results of local option elections under AS 04.11.496. The present requirement is too costly and unnecessary.

The other amendments in the bill are more technical in nature and either add or remove cross references to other sections of AS 04.11 and 04.16; eliminate inconsistencies between sections (such as between AS 04.11.330(a) [denial of license renewal] and AS 04.11.320(a) [denial of initial license]); or eliminate unnecessary, confusing, or repetitive language (such as in AS 04.11.500(c), in which the deleted language is covered by AS 04.11.500(b)).

I join with the board in urging passage of this bill.

Sincerely,



Bill Sheffield  
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No: 69  
 Title: Technical Amendments  
to AS Title 04  
 Sponsor: Governor  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Department of Revenue  
 Program Category Affected: Consumer  
Protection  
 BRU, Program or Subprogram(s) Affected:  
Alcoholic Beverage Control Board

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-

<b>CAPITAL</b>	-0-	-0-	-0-	-0-	-0-	-0-
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<b>REVENUE</b>	-0-	-0-	-0-	-0-	-0-	-0-
----------------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Patrick L. Sharrock, Director Phone: 277-8638  
 Division: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by Commissioner: James Mills Date: 1/15/85  
 Agency: Department of Revenue

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

§ 04.16.010

70 House Journal report on ch. 53, see 1973 House report on ch. B 246 am S), see 144.

tribution.

under the age of

at school events  
clubs  
containers  
alcohol prohibited  
consumption of alcoholic

licensed premises  
consumption of alcoholic  
house  
for violations  
beverages  
beverages in  
surprise

in licensed  
not sell, offer  
beverage on  
10:00 a.m. and

a person to  
between the

person to and  
between the  
person does not  
), or to an  
for the next  
restaurant  
consumption of alcoholic

pressure under

§ 04.16.020

ALCOHOLIC BEVERAGES

§ 04.16.045

ALR and C.J.S. references. — Power of municipality to require Sunday closing, 29 ALR 407, 420; 37 ALR 575.

Validity, construction and application of statute or ordinance requiring closing,

during certain hours, of place where intoxicating liquor is sold, as affected by fact that such places are also used for other business, 139 ALR 756.

48 C.J.S. Intoxicating Liquors § 207.

**Sec. 04.16.020. Solicitation of alcoholic beverages.** (a) A person may not pay or receive from another a salary, percentage or commission to solicit or encourage a patron of licensed premises to purchase alcoholic or other beverages for consumption by a person other than the patron.

(b) A licensee, his agent, or employee may not knowingly permit a person to loiter within or about premises licensed under this title for the purpose of begging or soliciting a patron or visitor to purchase alcoholic or other beverages for the person who is begging or soliciting. (§ 3 ch 131 SLA 1980)

Former law construed. — See Alaska Alcoholic Beverage Control Bd. v. Malcolm, Inc., Sup. Ct. Op. No. 208 (File No. 363), 391 P.2d 441 (1964).

Am. Jur. 2d and C.J.S. references. — 45 Am. Jur. 2d Intoxicating Liquor §§ 297, 298.

48 C.J.S. Intoxicating Liquors § 267.

**Sec. 04.16.030. Sale or disposition of alcoholic beverages to drunken persons.** A licensee, his agent, or employee may not with criminal negligence

- (1) sell, give, or barter alcoholic beverages to a drunken person;
- (2) allow another person to sell, give, or barter an alcoholic beverage to a drunken person within licensed premises;
- (3) allow a drunken person to enter and remain within licensed premises or to consume an alcoholic beverage within licensed premises;
- (4) permit a drunken person to sell or serve alcoholic beverages. (§ 3 ch 131 SLA 1980)

Am. Jur. 2d and C.J.S. references. — 45 Am. Jur. 2d Intoxicating Liquors §§ 265, 266.

48 C.J.S. Intoxicating Liquors §§ 257, 258.

**Sec. 04.16.040. Access of drunken persons to licensed premises.** A drunken person may not knowingly enter or remain on premises licensed under this title. (§ 3 ch 131 SLA 1980)

**Sec. 04.16.045. Obligation to enforce restrictions in licensed premises.** A licensee, his agent or employee may not permit the consumption of alcoholic beverages by any person within licensed premises unless it is permitted by the license. (§ 3 ch 131 SLA 1980)

Revisor's note. — This section was originally enacted as AS 04.16.041 but was renumbered by the revisor of statutes.

Cross reference. — As to responsibility of licensee for violations, see AS 04.16.150.



Official Business

# Alaska State Legislature

## Senate

### Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman

Members:

Senator Ferguson, Vice Chairman

Senator Coghill

Senator Sturgulewski

Senator V. Fischer

Pouch V

Juneau, Alaska 99811

C&RA Committee Meeting -- April 4, 1985

Work session -- SB 69

"An Act relating to licensing and regulation of the sale and distribution of alcoholic beverages; and providing for an effective date

Review -- Committee has passed one amendment to the bill --

Page 1, line 24, change [90] to 45

Senator Coghill has proposed amendments which would change Sec 11, page 4, line 27

No amendments to this section have passed the committee

TODAY ----- Pat Sharrock, Director ABC Board will be on line for teleconference

Brian Porter, Chief of Police, Municipality of Anchorage will be on line

Mayor of Delta: Frank Geiger and 2 constituents  
Don Davis and Bob Cramer  
will testify from Delta

Mayor of North Pole, Carleta Lewis will testify from Fairbanks

# STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

## DEPARTMENT OF REVENUE

ALCOHOLIC BEVERAGE CONTROL BOARD

550 West 7th Avenue  
~~2047EASSTXSTALXAKENISE~~  
ANCHORAGE, ALASKA 99501

April 12, 1985

Senator Edna B. DeVries  
Chairman, Community & Regional  
Affairs Committee  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811

Dear Senator DeVries:

At the March 28, 1985 meeting of your Committee Senator Vic Fischer requested that I discuss with members of the Alcoholic Beverage Control Board current problems which confront most liquor licensees in Alaska. Additionally, the Committee requested the board to render some thoughts and recommendations.

The board met in Anchorage on March 29 and discussed the request. As a result of that meeting the board directed me to develop a response for its review. Having been reviewed by the board, comments and suggestions are forwarded in this letter.

First, because of the continuing controversy about alcohol and recognizing that many persons easily become emotional, rightfully so, with exhaustive deliberations and discussion about the subject, the board must request that the contents of this communication be received not as a white paper, firm position, or policy which guides the board in exercising its responsibilities. The board fully recognizes the delicacy of the subject and certainly does not want to appear to be infringing on positions or policies of other persons, agencies or organizations. The board does not want to dilute any integrity or credibility it may presently enjoy. With these statements the board believes it is appropriate to identify itself.

Members are:

William K. Smith - chairman. Member of the board for five years and chairman for 2 1/2 years. An industry member and associated with a package store licensed business for 29 years in Anchorage.

E. L. "Red" Holloway - Twice former board member and present board member for two years. Presently retired in Juneau and former owner of the Prospector Hotel in Juneau.

Jane Perkins - Member for 1 1/2 years, retired and resident of Nome for 56 years.

James McNamee - Member designate since September 1984 from Fairbanks. Presently with a prominent insurance company and former Deputy Director with Division of Insurance, Alaska Department of Commerce.

Jack Griffin - Former member of the board from 1975 to 1978 and presently a member designate from Anchorage. Former licensee in Anchorage and presently owner of The Bayside Lounge in Homer.

At each board meeting the board reviews and decides on more than 70 agenda items for new issuance and transfer applications and other requests by licensees. Almost all licensees diligently attempt to follow the law. However, we must admit many licensees have not familiarized themselves with the law even though they may instruct employees about portions of the law which focus on responsibilities related to forbidden classes--minors and drunken persons. The board has noted many times that it is a few poor operators who create a bad climate in the public's eye. The board believes that the present record does not clearly indicate that alcohol problems, drunk driving in particular, arise from violations of law by licensees. However, the record is clear that alcohol consumption is heavy in Alaska and the source of alcoholic beverages in the state is from licensees licensed by the board.

By this letter the board is certainly not promoting enhancement of licensed business profits by suggesting that insurance expense is too high. The board is only suggesting that licensed businesses under its jurisdiction appear to be subjected to an inordinate degree of responsibility/blame/exposure for the acts/actions of the public at large and some irresponsible licensees.

The board believes that:

- 1 - Licensees, their agents and employees who violate laws which are in force to protect the public must receive swift identifiable sanctions.
- 2 - The public must be made aware that licensees are charged with operating an orderly business which distributes a controlled substance for a profit and when a licensee withholds the privilege of consuming or purchase from a customer that the licensee is enforcing a strict public policy that the public must be willing to accept.
- 3 - Licensees must also be charged without fail to:
  - a - firmly educate their people about responsibilities related to sale of alcoholic beverages.
  - b - firmly and continually educate the public that Alaska's licensed operators will not and cannot condone misuse or abuse within their premises.

These charges must of necessity be instilled in licensees by threat of loss of their licensed privilege without regard to any perceived or actual value which may have attached to the license/privilege. With this thought the board believes that with its capacity as a quasi-judicial body a specific schedule of sanctions/penalties be articulated in law. Criteria which could mitigate a prescribed penalty are suggested below. These criteria, if supported by facts before the board, are the criteria which are apparently accepted as those which could also be used to mitigate civil liability suits.

1. Formal training of employees.
2. No happy hours or reduced price drinks.
3. No advertising of alcoholic beverages.
4. Past performance policies of a licensee.
5. No rowdy house.
6. Employees consuming on duty.
7. Availability of food and non-alcoholic beverages.

Some would say that the above suggestions might place a great deal of authority/power in the board. However, the board firmly believes that the industry expects and prefers that its members who violate the law at everyone's expense must suffer penalty.

With all due respect to and consideration for all who participate in this seemingly never ending dialogue, the board submits the following recommendations for your consideration:

1. Retain present law for determining the measure of civil liability.
2. As state policy emphatically put licensees and the public on notice that illegal use of substances will not be condoned in the State of Alaska.
3. Require for incidents involving DWI that the offending party also be subjected to tests to ascertain if other substances are present in the person's body which also may have caused intoxication.
4. When possible and appropriate require DWI incident investigating officers to determine where and when an offending person last obtained an intoxicating substance. If from a licensee, this information be provided to the board.
5. Provide that an incident involving a licensed business or premises be reported in writing by the appropriate law enforcement authority having jurisdiction. If not reported by local authorities, then refund of license fees to a municipality be terminated without fail.
6. Following the Governor's Task Force on Drunk Driving, require that a mandatory course of instruction about alcohol and alcohol laws be provided by the industry to its employees.
7. Appoint an interim committee to draft amendments to law for submission during the next session of this legislature.

April 12, 1985

Unless you prefer to substantially modify Alaska's law, present law places responsibility for alcohol on everyone from health programs, schools, law enforcement, local governments, licensees, the public and the board. It is a collective problem and a collective responsibility. The present law is certainly not without its faults, but it works and has the ingredients for dealing with licensees who do not exercise their license in the best interest of the public.

The board would like to express one point for further discussion or clarification. When an intoxicated person causes injury to a third party and the level of intoxication is determined to be .10 BAC for the intoxicated person, and if it is intended that licensees, their agents or employees be held civilly liable, this is poor public policy and is tantamount to prohibition. Licensees who serve alcoholic beverages for consumption on the premises would be unable to operate. No licensee, agent or employee can determine a .10 BAC of a person without using some measuring device. Following service of one or two beverages at a licensed premises the public would not accept the imposition of having to submit to a form of electronic or physical test.

The board has traditionally convened a meeting in Juneau during the month of February of each year for two purposes. First, to fulfill its responsibility under AS 04.06.050, and second, to have the opportunity to meet with legislators and legislative committees during legislative sessions. However, because of present interest, concerns, and your request for the board's written comments, the board is scheduled to be in Juneau again this year on April 30, and following days if appropriate or necessary. The board and staff will be happy to provide you with any additional information which may be of help.

Sincerely,



Patrick L. Sharrock  
Director

PLS:vk

cc: Senator Frank Ferguson  
Senator Jack Coghill  
Senator Vic Fischer  
Senator Arliss Sturgulewski

SB 69 -- An Act relating to licensing and regulation of  
the sale and distribution of alcoholic beverages

AMENDMENT NO. 1 By Senator Coghill

Page 1, line 24 -- delete [90] and insert "45"

March 28, 1985

CVRA - JB 69 -


Alcohol Bill - Coghill amendment



Vic  
Fischer

Board advise Comm so week as to  
effect of dram shop law on  
insurance for bar owners

Josephson

Ins. Prem. from \$4000 to \$26000  
Has met w/ Gov - Comm of Insurance  
many options being discussed

Sturgeon - Proposed  - would this amend  
have any impact on issue of liability

Sharrock - Board concerned  places heavy burden  
on licensee - def. of drunk is person  
can't  himself then damages fall to  
bar owner

Coghill - agree but Leg can't tell barkeep how to  
run his business  
failsafe "except as otherwise provided  
by law"

Amend Sec 3 --

Sharrock - Allow bar owner to put person in  
special area - where they can be held

Fischer

answer might be hang-up keys -  
might cause real problem for people who are  
trying to run a clean establishment

Ferguson -

Request hold until we hear  
from ABC Board -

Fischer -

want testimony from Law enforcement -  
Anc policemen, as well as from  
bar owners / insurance people

Sturg

How import in Leg

Sharrock -

last section important -  
on defining a village

3/14/85

Amend #1 - Coghill moved - adopted  
90 to 45 unanimously

Amend #2 - Coghill moved --  
discussion

Coghill requested to hold over

Fischer - invite troopers to testify on this and  
draw shop law

Coghill moved - unanimous consent

---

SB 159

Sen. Paul Fischer -

Kenai will float a \$70 Mil bond  
issue next year for schools

Steve Hale

Pg 2 line 15 ref to \$25

State Board is opposed to bill

I'm tired - I flew to Wash D.C. Sunday - went to meetings Mon - Tues - flew home Wed - Now its Thurs.

2/28/85

SB-69 Pat Sharrock -

1st Section: accommodate <sup>temporary special events</sup> non profit permit to non profit corp - requires blessing of local law enforcement

Sec 2 - raises min. operating a permit from ~~30~~ to 90 days - Board can waive if there are real reasons for not

Sec 3 -

Sec 4, 5, 6, 7, 8 Sec 490 is local option provision

Sec 9 option of mailing notices by reg. or certified mail

Sec 10

Sec 11 - (3) "OR." can that work  
Ziegler

Sturg - do licensed premises do all they can to keep folks from drinking too much

Sharrock - The Board is concerned

Sturgen - Is pub convenience law working

Sharrock - Since 1981 - granted 6 under this law

Sturq - licenses - what are you doing

Sharrock - Bud promoted law to increase population.  
HB 34

Sturgen - Do you have Regs for pub con law

Sharrock - Yes -

License is 66¢  
✓ to apply → obtain signatures of all  
people in local area  
local gov. must approve

Sturq - Is a 4 of 7 to raise 47

Sharrock - yes

Coghill - safety valve in whole thing is local  
gov overview - but have to look out  
for less populated areas




# RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

  
Signature of Camera Operator

  
Date

S B

1 0 8

JB-108

2/8 Called Rebecca Burch - Admin for fiscal note  
Bennett - advised Sandy Nusbaum  
Merdes - talked to wife 2/7  
Left msg. at Ak. Municipal League 586-1325

2/11 discussed bill w/ Scott Burgess re: Muni's  
Called Rebecca Burch - fiscal note  
(Remond Henderson x 4708)

Merdes called -- wants teleconference  
set up - told him to get the  
people there - Fairbanks and Anchorage only

Pignatelli will testify

# STATE OF ALASKA 1986 LEGISLATIVE SESSION FISCAL NOTE

Revision Date : 1/16/86

**REQUEST**

Bill/Resolution No. : SB 108  
 Title : Quadrennial Olympic Reserve Account  
 Sponsor : Ferguson, Bennett, et al  
 Requestor : \_\_\_\_\_  
 Date of Request : \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected : Dept. of Community & Regional Affairs  
 BRU : Local Government Assistance  
 Components : \_\_\_\_\_

**EXPENDITURES/REVENUES : (Thousands of Dollars)**

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		36.3	38.5	40.8	43.2	45.8
TRAVEL		15.3	16.2	17.2	18.2	19.3
CONTRACTUAL		17.9	11.0	11.7	12.4	13.1
SUPPLIES		.5	.5	.5	.5	.5
EQUIPMENT		13.9				
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>83.9</b>	<b>66.2</b>	<b>70.2</b>	<b>74.3</b>	<b>78.7</b>

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

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

**FUNDING : (Thousands of Dollars)**

GENERAL FUND		83.9	66.2	70.2	74.3	78.7
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>83.9</b>	<b>66.2</b>	<b>70.2</b>	<b>74.3</b>	<b>78.7</b>

**POSITIONS :**

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

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

Prepared by : Tom Lane TL  
 Division : Municipal & Regional Assistance

Phone : 465-4750  
 Date : 1/16/86

Approved by Commissioner : [Signature]  
 Agency : Community & Regional Affairs

Date : 1/17/86

Distribution (by Agency preparing fiscal note) :

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

# CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 108

STATE OF ALASKA 1986 - 14th LEGISLATURE  
SECOND SESSION

Title: Quadrennial Olympic Reserve Account

Personal Services (Including benefits):

1/2 Project Assistant (Range 16 A)	\$21,615
1/2 Accounting Clerk (Range 10 A)	14,680
	<u>36,295</u>

+6% inflation/yr.

Contractual

FY 87 only - preparation of 2000 fold out  
brochures and 10,000 forms \$7,440

<u>Each Year</u>	
Advertising	500
Miscellaneous printing/graphics	1,000
Telephone	6,000
Postage	1,600
Office Rental - 280 s.f. @ \$1.80/s.f.	504
Equipment Maintenance	<u>812</u>

+ 6% inflation/yr \$10,416

Travel

18 trips/yr. to explain program (w/2days  
Per diem/trip @ \$850) \$15,300

Equipment

2 Desks (with extensions) @ \$732.55; 2 Tables @ \$294.78; 2 Bookcases @ \$172.92; 3 File Cabinets @ \$414.13; 1 Storage Cabinet - \$350.06; 1 Typewriter and typing @ \$1,580.26; 2 Posture tilt chairs! \$341.78; 3 Side chairs 2 \$154.63; 2 Wang terminals @ \$3,790.

# STATE OF ALASKA

**DEPT. OF COMMUNITY & REGIONAL AFFAIRS**

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

- POUCH B  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400  
ANCHORAGE, ALASKA 99508  
PHONE: (907) 563-1073

February 12, 1985

## POSITION PAPER

RE: SB 108

SPONSORS: Ferguson, Bennett, Coghill, Fahrenkamp, Faiks,  
Kelly and Rodey

The Department concurs with the need to develop and support Olympic talent in Alaskan youth and adults. However, the bill proposes to split the management of the proposed donor program between the Department of Community and Regional Affairs (DCRA) and the Department of Administration (DOA). DCRA would have responsibility for informing state and municipal officers and employees about the program and providing forms for participation.

It would be more reasonable to give all responsibility for administration to one department, the Department of Administration, since that department would be responsible for management and disbursement of funds collected. Splitting the functions associated with the fund would needlessly complicate administration of the program and could cause unnecessary confusion on the part of donors.

  
\_\_\_\_\_  
Emil Notti, Commissioner

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: SB 108  
 Title: Quadrennial Olympic Reserve Account  
 Sponsor: Ferguson, Bennett, et al  
 Requestor: \_\_\_\_\_  
 Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Dept of Community & Regional Affairs  
 Program Category Affected: \_\_\_\_\_  
 Community Development  
 BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES		35.0	37.1	39.3	41.7	44.2
200 TRAVEL		15.3	16.2	17.2	18.2	19.3
300 CONTRACTUAL		17.9	11.0	11.7	12.4	13.1
400 SUPPLIES		.5	.5	.5	.5	.5
500 EQUIPMENT		13.9				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>		<b>82.6</b>	<b>64.8</b>	<b>68.7</b>	<b>72.8</b>	<b>77.1</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND		82.6	64.8	68.7	72.8	77.1
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>		<b>82.6</b>	<b>64.8</b>	<b>68.7</b>	<b>72.8</b>	<b>77.1</b>

**POSITIONS:**

FULL-TIME		1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

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

See attached - Assumes DCRA administration of program.

Prepared By: Tom Lane Phone: 465-4750  
 Division: Municipal & Regional Assistance Date: 2/12/85  
 Approved by Commissioner: [Signature] Date: 2/12/85  
 Agency: Community & Regional Affairs

Distribution (by Agency preparing fiscal note):

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

7/1/84

STATE OF ALASKA 1985 - 14TH LEGISLATURE  
FIRST SESSION  
FISCAL NOTE

Bill No.: SB 108  
Title: Quadrennial Olympic Reserve Account

<u>Personal Services</u> (Including benefits)	
1/2 Project Assistant (Range 16A)	\$20,841
1/2 Accounting Clerk (Range 10A)	14,159
	<u>35,000</u>

+6% inflation/yr.

Contractual

<u>FY86 only</u> - preparation of 2000 fold out brochures and 10,000 forms	\$7,440
--	---------

<u>Each Year</u>	
Advertising	500
Miscellaneous printing/graphics	1,000
Telephone	6,000
Postage	1,600
Office Rental - 280 s.f. @ \$1.80/s.f.	504
Equipment Maintenance	<u>812</u>

+ 6% inflation/yr.	\$10,416
--------------------	----------

<u>Travel</u>	
18 trips/yr. to explain program (w/2 days per diem/trip @ \$850)	\$15,300

Equipment  
2 Desks (with extensions) @ \$732.55; 2 Tables @ \$294.78; 2 Bookcases @ \$172.92; 3 File Cabinets @ \$414.13; 1 Storage Cabinet - \$350.06; 1 typewriter and typing @ \$150.26; 2 posture tilt chairs : \$341.78; 3 side chairs 2 \$154.60, 2 Wang terminals @ \$3790.

Position Paper  
SB 108

The Department of Administration understands the intent of this bill and has worked closely with the United States Olympic Committee in Alaska (USOCA) during the past year to make this program work successfully. This bill generally addresses mutual concerns of both USOCA and the State that arose during the first year of the program. However, we feel some further clarification is necessary to allow the program to work more smoothly and is provided in the points that follow:

1. Administrative responsibility for a program should not be shared between two agencies as such an approach tends to cause inefficiency through duplication of effort and confusion. All activities of the Quadrennial Olympic Reserve Account should be administered by the Department of Community and Regional Affairs, including maintenance of the trust account and making payment activity, much the same as they do already for other grant programs administered by the Department.
2. This bill makes provision for the State to provide cash match based upon in-kind donations. No further definition of in-kind is mentioned. We feel that any legislation enacted needs to specify more precisely what in-kind contributions will qualify for State match. A preferable approach to addressing this issue is to limit in-kind donations to those that will be used directly by the program without first converting them to cash. Such items could include training equipment or donations of real property or building materials used to construct facilities to be used by USOCA supported programs.
3. This bill should include provision to recognize the need for the State to be able to prescribe record keeping and other administrative requirements as do other grant programs administered by the State.

*Kenneth E. Bischoff* <sup>A</sup>  
\_\_\_\_\_  
Kenneth E. Bischoff, Director  
Division of Finance

*2/11/85*  
\_\_\_\_\_  
Date

*Lisa Rudd*  
\_\_\_\_\_  
Commissioner Lisa Rudd  
Department of Administration

*2/11/85*  
\_\_\_\_\_  
Date

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

Page 1 of 2

**REQUEST**

Bill/Resolution No.: SB 108  
 Title: An Act Creating a Quadrennial Olympic Reserve Account  
 Sponsor: Farouson, Bennett, Coonill, et al.  
 Requestor: Senate C&IA  
 Date of Request: February 11, 1985

**FISCAL DETAIL**

Agency Affected: Administration  
 Program Category Affected: General Government  
Centralized Administrative Services  
 BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES	25.0	25.0	25.0	25.0	25.0	25.0
200 TRAVEL	3.0	3.0	3.0	3.0	3.0	3.0
300 CONTRACTUAL	2.0	2.0	2.0	2.0	2.0	2.0
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS	1,035.0	1,035.0	1,035.0	1,035.0	1,035.0	1,035.0
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>1,065.0</b>	<b>1,065.0</b>	<b>1,065.0</b>	<b>1,065.0</b>	<b>1,065.0</b>	<b>1,065.0</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING: (Thousands of Dollars)**

GENERAL FUND	1,065.0	1,065.0	1,065.0	1,065.0	1,065.0	1,065.0
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME	1	1	1	1	1	1
TEMPORARY						

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

Prepared By: Keneth E. Bischoff  
 Division: Finance

Phone: 465-2240

Date: February 11, 1985

Approved by Commissioner: Lisa Rudd  
 Agency: Department of Administration

Date: 2/11/85

Distribution (by Agency preparing fiscal note):

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

SB 108  
Fiscal Note Analysis  
Prepared by Division of Finance  
Department of Administration  
February 11, 1985

We have assumed that the State will match the full \$1,000,000 private donations annually.

The State employee match is based on the assumption that 20% of the 14,339 State employees (count as of January 31, 1984) will participate in this program annually.

The estimated cost of producing the payroll deduction authorization forms and annual administration of the program is \$30,000 (B).

Private donations	\$1,000,000
State employee match (DOA)	35,000 (A)
Administrative cost (DOA)	<u>30,000 (B)</u>
Total annual cost	\$1,065,000

A:  $20\% \times 14,339 \times \$1.00 \times 12 \text{ months} = 34,414$  (rounded)

B. Forms	\$ 2,000
Personnel services	25,000
General Government	
Range 18 - $\frac{1}{2}$ time	
Travel	<u>3,000</u>
	\$30,000

Offered: 5/2/85  
Referred: Rules

Original sponsors: Pignalberi, Collins,  
Cotten, et al

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 236 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating a Quadrennial Olympic reserve ac-  
7 count; and providing for an effective date."

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

9 \* Section 1. LEGISLATIVE INTENT. The legislature finds that it is  
10 beneficial to support and encourage the spirit of dedication and excellence  
11 symbolic of Olympic athletes, to register wholehearted support of the  
12 Olympic Games, and to develop Olympic talent in Alaskan youth and adults.  
13 Therefore, the legislature shall establish a Quadrennial Olympic reserve  
14 account in the general fund.

15 \* Sec. 2. AS 05 is amended by adding a new chapter to read:

16 CHAPTER 13. QUADRENNIAL OLYMPIC RESERVE ACCOUNT.

17 Sec. 05.13.010. QUADRENNIAL OLYMPIC RESERVE ACCOUNT. There is  
18 created in the general fund a Quadrennial Olympic reserve account.  
19 The account shall consist of salary deduction contributions of offi-  
20 cers and employees of the state under AS 05.13.020. The Department of  
21 Administration shall hold that money in trust and shall make regular  
22 payments from the account to the beneficiary of the trust, the offi-  
23 cial United States Olympic Committee - Alaska, a nonprofit  
24 corporation, after the committee has established a private fund for  
25 private donations.

26 Sec. 05.13.020. STATE OFFICER AND EMPLOYEE SALARY DEDUCTIONS.  
27 One dollar a month shall be deducted from the salary of each officer  
28 and employee of the state who requests involvement in the program  
29 under AS 05.13.060. Money deducted shall be deposited into the

1 Quadrennial Olympic reserve account.

2 Sec. 05.13.030. MUNICIPAL OFFICER AND EMPLOYEE SALARY DEDUC-  
3 TIONS. A municipality of the state shall deduct one dollar a month  
4 from each municipal officer and employee who requests involvement in  
5 the program under AS 05.13.060. A municipality shall send these  
6 salary deductions to the committee.

7 Sec. 05.13.040. MATCHING FUNDS. (a) The legislature may an-  
8 nually appropriate to the committee a matching amount equal to the  
9 amount of (1) all private donations that qualify under (b) of this  
10 section made to the committee; and (2) the salary deduction  
11 contributions made by all state and municipal officers and employees.  
12 However, the total annual appropriation under this subsection may not  
13 exceed \$1,000,000.

14 (b) Private donations made to the committee that qualify for  
15 matching funds are

16 (1) cash donations from private sources;

17 (2) in-kind donations from private sources, based upon fair  
18 market value appraisal, that are used directly by the committee; or

19 (3) in-kind donations from private sources that are con-  
20 verted to cash by the committee.

21 Sec. 05.13.050. PRIVATE DONATIONS. (a) The committee may use,  
22 or convert to cash, private in-kind donations that qualify for state  
23 matching funds under AS 05.13.040. Private donations may include  
24 athletic and training equipment, land, housing, building materials,  
25 equipment, and supplies for the Olympic movement in Alaska.

26 (b) The committee shall submit a claim for matching funds to the  
27 Department of Military and Veterans' Affairs together with copies of  
28 receipts for private donations.

29 (c) The Department of Military and Veterans' Affairs shall keep

1 a record of receipts of private donations submitted by the committee  
2 under (b) of this section and perform other administrative duties  
3 necessary to determine whether private donations qualify for matching  
4 funds under AS 05.13.040.

5 Sec. 05.13.060. NOTICE OF PROGRAM. The adjutant general of the  
6 Department of Military and Veterans' Affairs shall, by September 1,  
7 1985, and annually thereafter,

8 (1) inform all state and municipal officers and employees  
9 about the deduction program; and

10 (2) provide all state officers and employees with a form,  
11 addressed to the governor or the governor's designee, on which the  
12 intention to participate in the deduction program under AS 05.13.020  
13 may be indicated;

14 (3) provide to the appropriate municipal payroll officers  
15 for all municipal officers and employees forms on which the intention  
16 to participate in the deduction program under AS 05.13.020 may be  
17 indicated.

18 Sec. 05.13.070. FINANCIAL REPORT AND AUDIT. (a) Not later than  
19 60 days after the end of the committee's fiscal year the committee  
20 shall submit to the Department of Military and Veterans' Affairs a  
21 report describing the income and expenditures of the committee for the  
22 previous fiscal year of the committee.

23 (b) The Department of Military and Veterans' Affairs may require  
24 an independent audit of the financial records of the committee to  
25 determine whether expenditures by the committee are consistent with  
26 the purposes of the committee.

27 Sec. 05.13.080. DEFINITION. In this chapter "committee" means  
28 the United States Olympic Committee - Alaska, a nonprofit corporation.

29 \* Sec. 3. AS 44.35 is amended by adding a new section to read:

1           Sec. 44.35.040. QUADRENNIAL OLYMPIC RESERVE ACCOUNT. The adju-  
2           tant general shall carry out the duties prescribed in AS 05.13.050 -  
3           05.13.070 with respect to the Quadrennial Olympic reserve account.

4           \* Sec. 4. AS 05.13.010 - 05.13.080 and AS 44.35.040 are repealed  
5           December 31, 1989.

6           \* Sec. 5. This Act takes effect immediately in accordance with AS 01.-  
7           10.070(c).

EDWARD A. MERDES  
Alaska State Chairman  
P.O. Box 910  
Fairbanks, AK 99707  
907-452-3741  
907-456-5327

DONALD A. DENNIS  
Executive Director  
P.O. Box 1154  
Fairbanks, AK 99707  
907-452-5488

CHARLES SASSARA  
State Co-Chairman  
P.O. Box 597  
Girdwood, AK 99587  
907-279-7654  
907-783-2917

March 4, 1985

To: Kevin Farrell, Behrends Room 220, Pouch V, Juneau, Alaska

From: Edward A. Merdes, Alaska State Chairman USOC-AK

Re: Quadriennial Olympic Trust Fund - H.B. 236  
Information for Anchorage Delegation

Per our series of conversations and specifically following through on our most recent conversation of this morning, per your request herewith is the information you seek which will enable Anchorage area legislators to evaluate how enactment of this legislation will directly and indirectly benefit Olympic excellence and assist in obtaining either the 1996 or year 2000 Winter Olympic Games for Mt. Alyeska and the Anchorage Bowl area:

1. As shown by the enclosed 2/8/85 response to the Chairman of the U.S. Ski Association, Alaska Division, in Anchorage, when this legislation passes, it will enable the Statewide Olympic Committee and the USSA-Anch Division to work as a team to build a combined USSA-USOC-AK headquarters building at Mt. Alyeska with no future operation or maintenance cost to the State. The headquarters will be a visible presence of Olympic excellence in the winter sports.
2. Spin-offs will be enhancement of the possibility of the IOC (International Olympic Committee) selecting Anchorage for the '96 or year 2000 Winter Olympic Games. As you know, Canada got the '88 Winter Games for Calgary, and the economic, prestige and Olympic Image spin-offs are incalculable. The Statewide Committee wholeheartedly supports the Anchorage project, although we cannot, under USOC rules, be directly involved, we will be indirectly involved such as our decision to join with the USSA in building their state headquarters at Alyeska.
3. Anchorage has a perfect winter-type climate for such a headquarters, and being the nerve center for both Apline and Nordic Ski-Excellence, as Fairbanks can be such a center for Luge and Biathalon.
4. H.B. 236 and S.B. 108 embody a creative, pioneering concept of requiring the Olympic people (unlike any other recipient) to first motivate private sector sacrifice and personal contributions of money and property before any State matching takes place. The legislation (which only authorizes an appropriation) also permits State and municipal employees to voluntarily sacrifice and participate for a worthy cause and thus receive favorable publicity.

5. This legislation is based upon the idea of a joint partnership by the State and the private sector in investing state and private funds into a trust fund which will encourage - in perpetuity - the development of Olympic Excellence in our Alaskan Youth so that Alaska - like East Germany in Running and Swimming events - will become the most prolific producer of U. S. Winter Olympic talent than any state in our union, despite our low population.
6. Time is of the essence - to raise our matching funds in order to claim the million appropriated last year takes a gigantic effort by our Statewide Volunteers, not one of whom is on salary. We simply work free for a dynamic idea of Olympic Dedication and Excellence that will truly put Alaska on the map in the world of Olympic Competition.

Sincerely yours,



EDWARD A. MERDES  
Alaska State Chairman  
US Olympic Committee - Alaska

cc: Charles Sassara, State Co-Chairman USOC-AK  
Don Dennis, Executive Director, USOC-AK  
Dr. Glen Olds, Member USOC-AK  
Marco Pignalberi, State House of Representatives  
Senator Edna Armstrong DeVries

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907-279-7654  
907-783-2917

February 28, 1985

Calvin E. "Butch" West  
President  
USSA-Alaska Division  
Anchorage, Alaska

Dear Butch:

You have no idea how much I also enjoyed the breakfast we all shared at the Captain Cook.

I am most impressed with the contents of your letter and your well-thought-through ideas, concerning upgrading the entire Alpine-Nordic skiing community in Alaska. Rarely have I seen such a comprehensive and impressive presentation.

Your stated goal of the construction of a race training facility at the foot of Mt. Alyeska in order to develop Alaskan amateur ski racers into national or international competitors, is a superb one. The statewide Olympic Committee concurs in wholeheartedly! You point out that the building will benefit about three hundred local racers and mold them into junior and adult Olympic competitors.

The facility will be the headquarters for Alpine ski racing in south central Alaska and the USOC-AK south of the Range. In addition to the above, its existence will aid the goals of the USSA, the U.S. ski team, and the International Ski Federation.

The state Olympic Committee is most impressed with the fact that your group has earned sufficient prestige to convince the owners of Alyeska to donate the property at the Alyeska site. Your responsible attitude in agreeing to maintain and operate the facility at no cost to the state Olympic Committee is in itself a most valuable contribution to the Olympic movement.

The fact that your group has raised \$60,000 in cash and pledges is likewise impressive. This is a real "sweat equity" accomplishment.

The statewide Olympic Trust Fund authorized by Chapter 144 SLA 1984, and which is administered by the direction of the Legislature by the statewide Olympic Committee, has adopted a policy of utilizing only the earnings from the trust fund, however I have received tentative approval from the statewide committee to waive this policy on a one time basis only. Hence we will grant you our state matching funds equal to your pledge to the USOC-AK to build your \$160,000 race training facility building at Alyeska.

The commitment will become permanent upon entering into an agreement with USOC-AK delineating our joint responsibilities and benefits which must be approved by a vote of the statewide Committee.

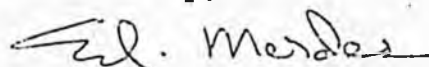
In order to obtain matching funds, for the value of the real estate upon which the building will be located, it is necessary to obtain a fair market value appraisal thereof. Please arrange to have this done, and submit it to the Committee.

A major factor motivating the statewide Committee to enter into this novel one-time arrangement with the USSA-Alaska Division, is that your group will provide USOC-AK and agreed-upon rent free office space in the building for its visible Anchorage area headquarters. Be assured that we will only need a modest amount of space. The presence of the USOC-AK state headquarters in the building will be beneficial to all concerned.

To implement matters, may I suggest that Bob Eastaugh draft a proposed agreement between us so we may get moving, in order to afford you the opportunity to construct this summer.

One final important matter: Enclosed is a copy of HB 236. This legislation, if passed, will continue the concept of the Olympic Reserve (Trust) Fund for four additional years, i.e., during the next Olympic quadrennium. In order for our race training facility project to get off the ground, it is necessary that this legislation pass. I have found no opposition to date, however please have your group and members send letters enclosing copies of HB 236 to all Anchorage/Palmer/Wasilla legislators.

Sincerely,



EDWARD A. MERDES  
Alaska State Chairman  
US Olympic Committee - Alaska

cc:

Bob Eastaugh, 1007 W. 3rd, Suite 400, Anchorage, AK 99501  
Donald Dennis, P.O. Box 1154, Fairbanks AK 99707  
Charles Sassara, P.O. Box 597, Girdwood, AK 99587

Introduced: 2/25/85  
Referred: State Affairs  
and Finance

BY PIGNALBERI, COLLINS, COTTEN,  
KOPONEN, MARTIN, RINGSTAD,  
SZYMANSKI AND BOUCHER

1 IN THE HOUSE

2 HOUSE BILL NO. 236

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating a Quadrennial Olympic reserve  
7 account; and providing for an effective date."

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

9 \* Section 1. LEGISLATIVE INTENT. The legislature finds that it is  
10 beneficial to support and encourage the spirit of dedication and excellence  
11 symbolic of Olympic athletes, to register wholehearted support of the  
12 Olympic Games, and to develop Olympic talent in Alaskan youth and adults.  
13 Therefore, the legislature shall establish a Quadrennial Olympic reserve  
14 account in the general fund.

15 \* Sec. 2. AS 05.05.020 is amended by adding a new subsection to read:

16 (c) The commissioner shall carry out the duties prescribed in  
17 AS 05.13.060.

18 \* Sec. 3. AS 05 is amended by adding a new chapter to read:

19 CHAPTER 13. QUADRENNIAL OLYMPIC RESERVE ACCOUNT.

20 Sec. 05.13.010. QUADRENNIAL OLYMPIC RESERVE ACCOUNT. There is  
21 created in the general fund a Quadrennial Olympic reserve account.  
22 The account shall consist of salary deduction contributions of offi-  
23 cers and employees of the state under AS 05.13.020. The Department of  
24 Administration shall hold that money in trust and shall make regular  
25 payments from the account to the beneficiary of the trust, the offi-  
26 cial United States Olympic Committee in Alaska, after the committee  
27 has established a private fund for private contributions.

28 Sec. 05.13.020. STATE OFFICER AND EMPLOYEE SALARY DEDUCTIONS.

29 One dollar a month shall be deducted from the salary of each officer

1 and employee of the state who requests involvement in the program  
2 under AS 05.13.060. Money deducted shall be deposited into the Qua-  
3 drennial Olympic reserve account.

4 Sec. 05.13.030. MUNICIPAL OFFICER AND EMPLOYEE SALARY DEDUC-  
5 TIONS. A municipality of the state shall deduct one dollar a month  
6 from each municipal officer and employee who requests involvement in  
7 the program under AS 05.13.060. A municipality shall send these  
8 salary deductions to the official United States Olympic Committee in  
9 Alaska.

10 Sec. 05.13.040. MATCHING FUNDS. The legislature may annually  
11 appropriate to the official United States Olympic Committee in Alaska  
12 a matching amount equal to the amount of

13 (1) all private donations, including in-kind donations  
14 based upon fair market value appraisal, to the official United States  
15 Olympic Committee in Alaska, not to exceed \$1,000,000 in the aggre-  
16 gate; and

17 (2) the salary deduction contributions made by all state  
18 and municipal officers and employees.

19 Sec. 05.13.050. PRIVATE DONATIONS. (a) The official United  
20 States Olympic Committee in Alaska may use, or convert to cash, pri-  
21 vate in-kind donations that qualify for state matching funds under  
22 AS 05.13.040. Private donations may include athletic and training  
23 equipment, land, housing, building materials, equipment, and supplies  
24 for the Olympic movement in Alaska.

25 (b) The official United States Olympic Committee shall regularly  
26 submit to the Department of <sup>MILITARY AND VETERAN AFFAIRS</sup> [Administration] copies of receipts of pri-  
27 vate donations in order to qualify for matching funds from the legis-  
28 lature under AS 05.13.040.

29 Sec. 05.13.060. NOTICE OF PROGRAM. The commissioner of

MILITARY AND NAUTICAL AFFAIRS

1 ✓ [athletics in the Office of the Governor] shall, by September 1, 1985,  
2 and annually thereafter,

3 (1) inform all state and municipal officers and employees  
4 about the deduction program; and

5 (2) provide all state officers and employees with a form,  
6 addressed to the governor or the governor's designee, on which the  
7 intention to participate in the deduction program under AS 05.13.020  
8 may be indicated;

9 (3) provide all municipal officers and employees with a  
10 form on which the intention to participate in the deduction program  
11 under AS 05.13.<sup>010</sup>[020] may be indicated; the form must be sent to the  
12 appropriate municipal payroll officer.

13 \* Sec. 4. AS 05.13.010 - 05.13.060 are repealed December 31, 1989.

14 \* Sec. 5. This Act takes effect [July 1, 1985] IMMEDIATELY UPON ITS PASSAGE  
AND APPROVAL

TESTIMONY ON SB 108  
SENATE COMMUNITY AND REGIONAL AFFAIRS  
FEBRUARY 12, 1985

Thank you for the opportunity to assist your committee's work on this bill.

The purpose of this bill is to expand upon SLA 141 which was passed by the Legislature last year.

SLA 141 is titled, "An Act Creating an Olympic Reserve Account in the General Fund and Providing for an Effective Date."

The law does three things:

- 1) It establishes the Olympic Reserve Account in Title 5, Chapter 13. The account consists of voluntary salary deduction contributions from state employees.
- 2) It provides that the Department of Administration shall hold the contributions in a trust for the official U.S. Olympic Committee in Alaska; and
- 3) It authorizes State matching funds, dollar for dollar, for all private donations, not to exceed \$1 million and in addition, the salary deduction contributions made by state employees.

The Act took effect July 3, 1984, and expires on June 30, 1985.

The present bill before you, SB108, elaborates and extends some of these features in last year's bill.

First, its effective date begins where last year's law ends, i.e., July 1, 1985. The term of the bill is 4.5 years, and it expires December 31, 1989. This coincides with the quadrennial period established by the U.S. Olympic Committee.

Secondly, it allows voluntary contributions from municipal employees to be matched by the State.

Third, it allows in-kind donations that are acceptable to the official U.S. Olympic Committee for Alaska, and which are appraised at fair market value, to also be matched with state funds up to, but not more than \$1 million.

Fourth, this bill designates C&RA to carry out the notifications and to provide forms to state and municipal employees.

Amendment #1 to SB 108

This amendment clarifies that the administration of municipal programs are independent of the State. It provides that municipal contributions are paid into the U.S. Olympic Committee in Alaska (USOCA), and that the USOCA will invoice the state for matching funds.

Amendment #2 to SB 108

The first part of this amendment is to delete the date because it is specified in the effective date of the Act.

The second part deletes reference to the municipality because it is taken care of in the previous amendment, #1.

Amendment #3 to SB 108

The purpose of this amendment is to limit the scope of private, in-kind donations to items which are directly or indirectly to the Olympic program effort.

Amendment #4 to SB 108

The purpose of this amendment is to spell out the process for applying for matching funds.

Amendment #5 to SB 108

The purpose of this amendment is to specify the effective date and expiration date of the Act and to identify it with the Olympic quadrennial cycle.

Amendment #1, to SB108

page 1, Line 17

Sec. 05.13.010 QUADRENNIAL OLYMPIC RESERVE ACCOUNT. There is created in the general fund a Quadrennial Olympic reserve account. The account shall consist of salary deduction contributions of officers and employees of the state. [OR A MUNICIPALITY OF THE STATE UNDER AS 05.13.020(a) THE DEPARTMENT OF ADMINISTRATION SHALL HOLD THAT MONEY IN TRUST AND SHALL MAKE REGULAR PAYMENTS FROM THE ACCOUNT TO THE BENEFICIARY OF THE TRUST, THE OFFICIAL UNITED STATES OLYMPIC COMMITTEE IN ALASKA, AFTER THE COMMITTEE HAS ESTABLISHED A PRIVATE FUND FOR PRIVATE CONTRIBUTIONS.] Contributions to the Quadrennial Olympic Reserve Account shall be paid on a regular basis to the beneficiary of the trust, the official United States Olympic Committee in Alaska, after the committee has established a private fund for private contributions. Contributions made by municipal employees shall be transmitted directly to the official United States Olympic Committee in Alaska by the municipality. Contributions made by municipal employees qualify for state matching funds under Sec. 05.13.020 (b) and shall be paid by the state based upon invoices submitted by the official United States Olympic Committee in Alaska.

Amendment #2 to SB108

Page 1, Line 26

Sec. 05.13.020. SALARY DEDUCTIONS AND OTHER CONTRIBUTIONS. (a) [ON JULY 1, 1985,] one dollar per month shall be deducted from the salary of each officer and employee of the state [OR A MUNICIPALITY OF THE STATE] who requests involvement in the program under (c) of this section. Salary deducted shall be deposited into the Quadrennial Olympic reserve account.

(b) The legislature may annually appropriate to the official United States Olympic Committee in Alaska a matching amount equal to the amount of

(1) all private donations including in-kind donations based upon fair market value appraisal, to the official United States Olympic Committee in Alaska, not to exceed \$1,000,000 in the aggregate~~;~~ and].

Amendment #3 to SB 108

Page 2, insert between Lines 9-10

[gate; and]

Personal or Real property which will be used directly or indirectly by the program to further its intended purposes without first converting it to cash. In-kind donations that qualify for state matching funds would include but not necessarily be limited to athletic and training equipment, land to be used to implement Olympic training, housing for the furtherance of the Olympic program, and building materials, equipment and supplies which will in any way further the Olympic movement in Alaska.

Amendment #4 to SB108

Page 2 Line 10

(2) the salary deduction contributions made by all state and municipal officers and employees.

(c) The Department of Community and Regional Affairs shall, by September 1, 1985,

(1) inform all state and municipal officers and employees about the deduction program; and

(2) provide all state and municipal officers and employees with a form, addressed to the governor or the governor's designee, on which the intention to participate in the Alaska-United States Olympic Trust Fund may be indicated.

(3) be prepared to pay all bonafide claims for state matching contributions submitted by the official United States Olympic Committee in Alaska; and

(4) prescribe record keeping and other administrative requirements required of keeping a grant program.

(d) The Department of Administration will make the monthly salary deductions based on authorizing forms received from state employees. Contributions from salary deductions will be paid regularly to the official United States Olympic Committee in Alaska.

(e) The official United States Olympic Committee in Alaska shall submit all claims for state matching funds to the Department of Community and Regional Affairs to receive payment.

(1) Claims submitted are limited to amounts based upon contributions from State salary deductions, Municipal salary deductions, and other private contributions.

Amendment #5 to SB 108

Page 2 Line 20

Sec. 3. This Act takes effect July 1, 1985, and expires on December 31, 1989 the end of the Olympic Quadrennial.

State Service Districts

Hohman deal ↑ wanted

Thom Morehouse

Vic did a lot of ...  
power in boroughs, cities

LBC or C&RA touch

---

Tues - Feb 12 --

SB 108 -

Fischer - what was ... by past legislation

Merdes -- Alpine Club - Arc  
sent people out to Lake Placid

Fischer -- have raised \$300,000  
mostly a bulldozer -

Merdes -- got brand new generators  
from business  
are 2 3/4 - ... in-kind  
contributions

Pignalberi - introduced amendments

Jeff Smith -

One department should be administrator  
for the program - keep program all in  
Dept Admin - since they have authority  
to deduct from pay check

Fischer -  $f \leftarrow$   $\sim$  ? 6 ✓ qualifies  
for match

DeVries -- clear guidelines for what is allowed  
as in-kind

Merdes -- I believe that is taken care of in the  
amendment that was not read by  
Pignal

Ken Bischoff -- amendments )  $\sim$   $\rightarrow$  ..  
must be viewed as a grant --

Do not initiate any payments --  
because statute is required to  
rule on the appropriateness of  
all payments made by other  
state agencies

Don Dennis - testified in support of bill  
possibility of a biathlon  
training facility in Alaska

looking at other sports -- speed-skating,  
etc --

---

SB-65 - Beth Kerttula

-/31 to deal with W. 2 Legislation  
passed last year

~~Cordova in bad economic condition -  
storefronts closed --  
fishery~~

~~Sturgulewski - may have been a glitch  
but Homer is used to program -  
does this bill exclude Homer~~

Smith - what happened to Cordova  
very unfortunate - support the bill

Homer - 15 miles difference in  
nautical vs. statute miles  
processed almost \$15 million  
of loans for Homer

if you extend program -  
look at original purpose of program  
and current appropriation

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3 February 1985

Senator Edna DeVries  
Pouch V  
Juneau, Alaska 99811

Re: Olympic Trust Fund, SB 108

Dear Edna,

Am truly sorry we didn't have an opportunity to visit while I was in Juneau week before last. Just as Jack Coghill and I were leaving your committee room, we had intended to return and chat with you.

Edna, Congratulations on your election. Seems like only yesterday, you, Don Dennis, myself, and the other valley folks put the Green Giants Baseball Organization together. It's hard to believe it was some eight years ago.

Re the above bill: Ken Bischoff, from Lisa Rudd's office, and I have been working closely implementing ch. 141, SLA 84, the Olympic Trust Fund Statute. Our joint experience demonstrated the need for some sensible house keeping changes, which have been approved by Senator Ferguson.

As you can see from the LIO draft of the bill, the following changes have been made: (1) switching implementation from Department of Administration to Department of C&RA which has been approved by Emil Notti; (2) clarifying the original legislative intent expressed by the then finance committee chairman, that in-kind and cash private will be matched by the State not to exceed 1 million dollars; (3) Extending the statute for the next olympic quadrennium from 1985 thru 1988; (4) authorizing municipal employees to voluntarily enter the program in the same manner as State employees.

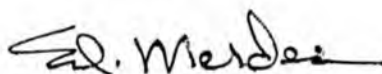
SB 108 accomplishes these practical objectives - except a drafting mistake was made in extending it indefinitely rather than for the next quadrennium. Hence I would recommend your committee (or finance) to amend the bill to provide for only a four year extension.

Enclosed in Senator Bennett's original letter, outlining the original intent of the finance committee to permit in-kind private donations to qualify for State matching so long as they were accompanied by a fair market appraisal. Also enclosed is a copy of the letters endorsed by the bank, a CPA and myself on behalf of the State Olympic

Committee concerning this procedure. Mr. Bischoff and Lisa Rudd felt that this procedure should be incorporated into the law which SB 108 does. Also this letter outlines purposes for which the Olympic Trust monies will be used, i.e., (1) sponsor the statewide Junior Olympic Program and (2) encourage the development of olympic excellence and talent throughout the State of Alaska.

It would be sincerely appreciated if you would, as quickly as possible, move the bill out of your committee and into finance. Senator Kelly is vitally interested in the continuation of the Olympic Trust Fund and asked me to keep him informed, hence a CC of this letter is going to him along to Senators Bennett and Ferguson.

Sincerely Yours,

A handwritten signature in cursive script that reads "E. Merdes".

EDWARD A. MERDES  
State Chairman

CC: Senators:  
Kelly/Ferguson/Bennett