

**CS FOR SENATE BILL NO. 9(JUD)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - FIRST SESSION

**BY THE SENATE JUDICIARY COMMITTEE**

**Offered: 4/14/21**

**Referred: Finance**

**Sponsor(s): SENATOR MICCICHE**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to alcoholic beverages; relating to the regulation of manufacturers,**  
2 **wholesalers, and retailers of alcoholic beverages; relating to licenses, endorsements, and**  
3 **permits involving alcoholic beverages; relating to common carrier approval to transport**  
4 **or deliver alcoholic beverages; relating to the Alcoholic Beverage Control Board;**  
5 **relating to offenses involving alcoholic beverages; amending Rule 17(h), Alaska Rules of**  
6 **Minor Offense Procedure; and providing for an effective date."**

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

8 **\* Section 1.** AS 04.06 is amended by adding a new section to read:

9 **Sec. 04.06.005. Declaration of policy; purpose; finding.** It is the policy of  
10 the state that controlling the manufacture, distribution, barter, possession, and sale of  
11 alcoholic beverages in the state is necessary to promote the health and safety of the  
12 people of the state. It is the purpose of this title to carry out the state's policy in the  
13 public interest. The legislature finds that observance of this title, regulations adopted

1 by the board, and other applicable laws, local ordinances, and regulations is in the  
 2 interest of the public, people holding licenses or permits under this title, and the  
 3 alcoholic beverage industry in general.

4 \* **Sec. 2.** AS 04.06.020(b) is amended to read:

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

11 \* **Sec. 3.** AS 04.06.020(c) is amended to read:

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

20 \* **Sec. 4.** AS 04.06.020(d)(3) is amended to read:

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

26 \* **Sec. 5.** AS 04.06.075 is amended by adding a new subsection to read:

27 (c) The director shall prepare and submit to the board an annual budget for the  
 28 board that includes funding for administration, enforcement, education, training, and  
 29 prevention activities under this title.

30 \* **Sec. 6.** AS 04.06.080 is amended to read:

31 **Sec. 04.06.080. Delegation of authority.** The director shall issue, renew,

1 transfer, suspend, or revoke all licenses, endorsements, and permits at the direction of  
 2 the board. However, notwithstanding AS 04.06.090(b) [AS 04.11.070], the board may  
 3 delegate authority to the director to temporarily grant or deny the issuance, renewal, or  
 4 transfer of licenses, endorsements, and permits. The director's temporary grant or  
 5 denial of the issuance, renewal, or transfer of a license, endorsement, or permit is not  
 6 binding on the board. The board may delegate to the director any other duty imposed  
 7 by this title except its power to propose and adopt regulations.

8 \* **Sec. 7.** AS 04.06.090(b) is amended to read:

9 (b) Only the board may issue, renew, transfer, relocate, suspend, or  
 10 revoke a license or endorsement under this title. The board shall review all  
 11 applications for licenses and endorsements made under this title and may order the  
 12 director to issue, renew, revoke, transfer, or suspend licenses, endorsements, and  
 13 permits authorized under this title.

14 \* **Sec. 8.** AS 04.06.090(e) is amended to read:

15 (e) The board shall promptly notify all licensees and municipalities of major  
 16 changes to this title and to regulations adopted under this title. However, if changes  
 17 only affect specific classifications of licenses, endorsements, and permits, the board  
 18 need only notify those licensees and municipalities directly affected by the changes.  
 19 Current copies of this title and current copies of the regulations adopted under it shall  
 20 be made available at all offices in the state of the Department of Commerce,  
 21 Community, and Economic Development and the detachment headquarters and posts  
 22 maintained by the division of Alaska state troopers in the Department of Public Safety.

23 \* **Sec. 9.** AS 04.06.090 is amended by adding new subsections to read:

24 (f) The board is responsible for education on relevant state statutes,  
 25 regulations, and policies. The board shall coordinate with agencies and nonprofit  
 26 organizations that provide alcohol awareness education to develop a plan to educate  
 27 public safety professionals, the alcoholic beverage industry, individuals under 21 years  
 28 of age, local governments, established villages, and the general public on the  
 29 responsible use of alcoholic beverages. The board shall update and revise the plan  
 30 annually.

31 (g) The board shall review the fees specified in this title and regulations

1 adopted under this title at least every five years.

2 (h) The board may, within 30 days after the introduction of a bill amending a  
3 provision of this title or adding a new provision to this title, prepare an advisory  
4 opinion regarding the changes proposed in the bill.

5 (i) The board shall, within 30 business days after receiving notice of a  
6 conviction or violation under this title, provide a copy of the conviction or violation to  
7 the holder of a license if an offense or violation occurred on the holder's licensed  
8 premises and the holder is not the subject of the conviction or violation.

9 (j) The board shall post information on the board's Internet website about fetal  
10 alcohol syndrome and fetal alcohol effects resulting from a woman consuming alcohol  
11 during pregnancy.

12 \* **Sec. 10.** AS 04.06.095 is amended to read:

13 **Sec. 04.06.095. Statewide database.** **(a)** The board, after consulting with  
14 package store licensees, shall create and maintain a statewide database that contains a  
15 monthly record of the alcohol purchased by, and shipped to, a person who resides in a  
16 municipality or established village that has restricted the sale of alcoholic beverages  
17 under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2).

18 **(b)** Except as otherwise specifically provided in this section, the information  
19 contained in the database is confidential and is not subject to inspection or copying  
20 under AS 40.25.110 - 40.25.220. **Personally identifiable information, including**  
21 **business names and addresses,** [INFORMATION] in the database shall be purged  
22 one year after entry unless it is needed for criminal investigation or prosecution. **All**  
23 **other information in the database shall be retained in aggregate form and purged**  
24 **10 years after entry.** Information in the database is available only to

25 (1) a package store licensee, agent, or employee to consult before  
26 shipping alcohol to a purchaser in a restricted area **under a package store shipping**  
27 **endorsement** as provided in **AS 04.09.460** [AS 04.11.150(g)];

28 (2) a law enforcement officer;

29 (3) a probation or parole officer;

30 (4) the board; and

31 (5) the person who is the subject of the information; the board shall

1 adopt regulations concerning access by a person to information contained in the  
2 database of the purchases by, and shipments to, that person.

3 \* **Sec. 11.** AS 04.06.095 is amended by adding a new subsection to read:

4 (c) The board shall produce an annual report of the aggregate regional and  
5 statewide data from the database, excluding personally identifiable information and  
6 the names and addresses of businesses, and shall make the report available for public  
7 inspection and copying under AS 40.25.110 - 40.25.220. The report must include  
8 information about the total volume of alcohol received in each municipality or  
9 established village.

10 \* **Sec. 12.** AS 04.06.100(b) is amended to read:

11 (b) The subjects covered by regulations adopted under (a) of this section may  
12 include the following matters:

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

15 (2) procedures for the issuance, denial, renewal, transfer, revocation,  
16 and suspension of licenses, endorsements, and permits;

17 (3) terms and conditions of licenses, endorsements, and permits  
18 issued;

19 (4) fees for licenses, endorsements, and permits issued for which fees  
20 are not prescribed by statute;

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

22 (6) delegation to the director of routine administrative functions and  
23 powers;

24 (7) the temporary granting or denial of issuance, transfer, and renewal  
25 of licenses and endorsements;

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

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

31 (10) making of reports by wholesalers;

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

3 (12) prohibition of possession of alcoholic beverages by drunken  
4 persons and by minors;

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

8 (14) [CREATION OF CLASSIFICATIONS OF LICENSES OR  
9 PERMITS NOT PROVIDED FOR IN THIS TITLE;

10 (15)] establishment and collection of fees to be paid on application for  
11 a license, endorsement, or permit;

12 (15) [(16)] required reports from partnerships and limited partnerships  
13 licensed under this title, including reports of transferred interests of 10 percent or  
14 more;

15 (16) [(17)] required reports from limited liability organizations  
16 licensed under this title, including reports of the transfer of a member's interest if the  
17 transfer equals 10 percent or more of the ownership of the limited liability  
18 organization and any change of managers;

19 (17) restrictions on the manufacture, packaging, sale, and  
20 distribution of products containing alcohol that are intended for human  
21 consumption.

22 \* **Sec. 13.** AS 04 is amended by adding a new chapter to read:

23 **Chapter 09. Licenses, Endorsements, and Permits.**

24 **Article 1. License Types.**

25 **Sec. 04.09.010. Types of licenses.** A license defines activities allowed daily on  
26 licensed premises. License type is a general category of license activity based on the  
27 three-tier system of alcohol regulation. The three types of licenses the board may issue  
28 are manufacturer, wholesale, and retail licenses. The board may issue only the licenses  
29 authorized in AS 04.09.020 - 04.09.370.

30 **Article 2. Manufacturer Licenses.**

31 **Sec. 04.09.020. Brewery manufacturer license.** (a) A brewery manufacturer

1 license authorizes the holder to operate a brewery for the manufacture, packaging,  
2 storing, and sale of its brewed beverages to a buyer as permitted in AS 04.09.050.

3 (b) The biennial brewery manufacturer license fee is \$1,250.

4 (c) The fermentation process of all brewed beverages offered for sale by the  
5 holder of a brewery manufacturer license must occur on the holder's licensed premises  
6 in the state.

7 **Sec. 04.09.030. Winery manufacturer license.** (a) A winery manufacturer  
8 license authorizes the holder to operate a winery for the manufacture, packaging,  
9 storing, and sale of its wine to a buyer as permitted in AS 04.09.050.

10 (b) The biennial winery manufacturer license fee is \$1,000.

11 (c) The fermentation process of all wine offered for sale by the holder of a  
12 winery manufacturer license must occur on the holder's licensed premises in the state.

13 **Sec. 04.09.040. Distillery manufacturer license.** (a) A distillery manufacturer  
14 license authorizes the holder to operate a distillery for the manufacture, packaging,  
15 storing, and sale of its distilled spirits to a buyer as permitted in AS 04.09.050.

16 (b) The biennial distillery manufacturer license fee is \$1,250.

17 (c) At least 80 percent of each final product that contains distilled spirits  
18 offered for sale by the holder of a distillery manufacturer license must be  
19 manufactured on the holder's licensed premises in the state.

20 **Sec. 04.09.050. Authorized sales.** (a) The holder of a manufacturer license  
21 that annually produces in total less than 300,000 barrels of brewed beverages or mead  
22 or cider containing less than 8.5 percent alcohol by volume, less than 50,000 nine-  
23 liter-equivalent cases of wine, sake, or mead or cider containing 8.5 percent or more  
24 alcohol by volume, or less than 50,000 nine-liter-equivalent cases of distilled spirits  
25 may sell its product to

26 (1) the holder of a wholesale license issued under this chapter;

27 (2) the holder of a retail license issued under this chapter;

28 (3) the holder of a permit issued under this chapter;

29 (4) an entity in another state or country.

30 (b) The holder of a manufacturer license that annually produces in total  
31 300,000 barrels or more of brewed beverages or mead or cider containing less than 8.5

1 percent alcohol by volume, 50,000 nine-liter-equivalent cases or more of wine, sake,  
 2 or mead or cider containing 8.5 percent or more alcohol by volume, or 50,000 nine-  
 3 liter-equivalent cases or more of distilled spirits may sell its product to

4 (1) the holder of a wholesale license issued under this chapter;

5 (2) an entity in another state or country.

6 (c) For purposes of calculating the volume that the holder of a manufacturer  
 7 license produces under this section, the volume of production must include all  
 8 production by

9 (1) the holder of the manufacturer's license; and

10 (2) an officer, director, agent, employee, or affiliate of the holder; in  
 11 this paragraph, "affiliate" means a person that directly or indirectly, through one or  
 12 more intermediaries, controls, or is controlled by, or is under common control with, a  
 13 corporation.

14 **Sec. 04.09.060. Unlicensed manufacturing.** (a) A person commits the crime  
 15 of unlicensed manufacturing if the person knowingly operates a

16 (1) brewery without a brewery manufacturer license;

17 (2) winery without a winery manufacturer license; or

18 (3) distillery without a distillery manufacturer license.

19 (b) Unlicensed manufacturing is a class A misdemeanor.

20 **Sec. 04.09.080. Unauthorized manufacturer sale.** (a) Except as provided in  
 21 AS 04.09.320 - 04.09.340, a person who holds a manufacturer license commits the  
 22 offense of unauthorized manufacturer sale if the person sells its product in violation of  
 23 AS 04.09.050.

24 (b) Unauthorized manufacturer sale is a violation.

25 **Sec. 04.09.090. Definition.** In AS 04.09.020 - 04.09.090, "packaging" means  
 26 the process of containing alcoholic beverages in bottles or other types of containers for  
 27 purpose of resale.

### 28 **Article 3. Wholesale Licenses.**

29 **Sec. 04.09.100. General wholesale license.** (a) A general wholesale license  
 30 authorizes the holder to sell alcoholic beverages at wholesale. The holder of a general  
 31 wholesale license may not sell to a person not licensed under this title, except as

1 provided in AS 04.21.040.

2 (b) The biennial general wholesale license fee is \$2,000.

3 (c) In addition to the license fee under (b) of this section, the holder of a  
4 general wholesale license shall pay an annual fee based on the total value of business  
5 transacted by the wholesale business, including the excise tax imposed by  
6 AS 43.60.010. If the total value of business transacted during the calendar year  
7 including the excise tax imposed by AS 43.60.010 is

8 (1) less than or equal to \$100,000, then the annual fee is \$0;

9 (2) over \$100,000 and not over \$150,000, then the annual fee is \$250;

10 (3) over \$150,000 and not over \$200,000, then the annual fee is \$500;

11 (4) over \$200,000 and not over \$250,000, then the annual fee is \$750;

12 (5) over \$250,000 and not over \$300,000, then the annual fee is  
13 \$1,000;

14 (6) over \$300,000 and not over \$350,000, then the annual fee is  
15 \$1,250;

16 (7) over \$350,000 and not over \$400,000, then the annual fee is  
17 \$1,500;

18 (8) over \$400,000 and not over \$500,000, then the annual fee is  
19 \$2,000;

20 (9) over \$500,000 and not over \$600,000, then the annual fee is  
21 \$2,500;

22 (10) over \$600,000 and not over \$700,000, then the annual fee is  
23 \$3,000;

24 (11) over \$700,000 and not over \$800,000, then the annual fee is  
25 \$3,500;

26 (12) over \$800,000 and not over \$1,000,000, then the annual fee is  
27 \$4,500;

28 (13) over \$1,000,000, then the annual fee is \$10,000.

29 **Sec. 04.09.110. Limited wholesale brewed beverage and wine license.** (a) A  
30 limited wholesale brewed beverage and wine license authorizes the holder to sell  
31 brewed beverages and wine at wholesale. The holder of a limited wholesale brewed

1 beverage and wine license may not sell to a person not licensed under this title, except  
2 as provided in AS 04.21.040.

3 (b) The biennial limited wholesale brewed beverage and wine license fee is  
4 \$400.

5 (c) In addition to the license fee under (b) of this section, the holder of a  
6 limited wholesale brewed beverage and wine license shall pay an annual fee based on  
7 the total value of business transacted by the wholesale business, including the excise  
8 tax imposed by AS 43.60.010. If the total value of business transacted during the  
9 calendar year including the excise tax imposed by AS 43.60.010 is

- 10 (1) less than or equal to \$20,000, then the annual fee is \$0;  
11 (2) over \$20,000 and not over \$50,000, then the annual fee is \$150;  
12 (3) over \$50,000 and not over \$100,000, then the annual fee is \$500;  
13 (4) over \$100,000 and not over \$150,000, then the annual fee is \$750;  
14 (5) over \$150,000 and not over \$200,000, then the annual fee is  
15 \$1,000;  
16 (6) over \$200,000 and not over \$400,000, then the annual fee is  
17 \$2,000;  
18 (7) over \$400,000 and not over \$600,000, then the annual fee is  
19 \$3,000;  
20 (8) over \$600,000 and not over \$800,000, then the annual fee is  
21 \$4,000;  
22 (9) over \$800,000, then the annual fee is \$10,000.

23 **Sec. 04.09.120. Annual fee and affidavit.** (a) Not later than February 28 of  
24 each year, the holder of a general wholesale license or a limited wholesale brewed  
25 beverage and wine license shall pay the annual fee for the license for the preceding  
26 calendar year, and file with the board an affidavit showing the

- 27 (1) total value of business transacted under the license by the  
28 wholesale business, including the excise tax imposed by AS 43.60.010, during the  
29 preceding calendar year; and  
30 (2) location of the licensed premises at which the business was  
31 transacted.

1 (b) Failure to file an affidavit under (a) of this section or the expiration of a  
 2 license under AS 04.11.540 does not relieve a licensee from paying the prescribed  
 3 annual fee.

4 **Sec. 04.09.130. Wholesale supplier declaration.** (a) A person who applies for  
 5 issuance or renewal of a general wholesale license or a limited wholesale brewed  
 6 beverage and wine license shall submit to the board, on a form prescribed by the  
 7 board, a declaration that the person is the appointed wholesaler of the distiller, brewer,  
 8 vintner, or importer of each product line of alcoholic beverage that the person intends  
 9 to purchase, offer for sale, or sell. The form must include a space for the person to  
 10 indicate the total number of suppliers. The board may request a list of suppliers, or  
 11 additional information about a product line.

12 (b) A person filing a declaration under this section shall pay a biennial filing  
 13 fee. If the declaration lists

- 14 (1) one to 25 suppliers, the fee is \$500;
- 15 (2) 26 to 50 suppliers, the fee is \$1,000;
- 16 (3) 51 to 75 suppliers, the fee is \$1,500;
- 17 (4) 76 or more suppliers, the fee is \$2,000.

18 (c) In this section, "distiller, brewer, vintner, or importer" includes an  
 19 exclusive agent of the distiller, brewer, vintner, or importer if the agent's name appears  
 20 on the label of the brand approved by the Alcohol and Tobacco Tax and Trade Bureau.

21 **Sec. 04.09.140. Unlicensed wholesale sale.** (a) A person commits the crime of  
 22 unlicensed wholesale sale if the person knowingly sells

- 23 (1) distilled spirits at wholesale without a general wholesale license; or
- 24 (2) brewed beverages or wine at wholesale without a general wholesale  
 25 license or a limited wholesale brewed beverage and wine license.

26 (b) Unlicensed wholesale sale is a class A misdemeanor.

27 **Sec. 04.09.150. Failure to pay annual fee or file affidavit.** (a) A person  
 28 commits the offense of failure to pay an annual wholesale fee or file a wholesale  
 29 affidavit if the person fails to pay the annual fee or file the affidavit as required under  
 30 AS 04.09.120.

31 (b) Failure to pay an annual wholesale fee or file a wholesale affidavit is a

1 violation.

2 **Sec. 04.09.160. Failure to pay biennial fee or file declaration.** (a) A person  
3 commits the offense of failure to pay a biennial supplier fee or file a supplier  
4 declaration if the person fails to pay the biennial supplier fee or file the declaration as  
5 required under AS 04.09.130.

6 (b) Failure to pay a biennial supplier fee or file a supplier declaration is a  
7 violation.

#### 8 **Article 4. Retail Licenses.**

9 **Sec. 04.09.200. Beverage dispensary license.** (a) A beverage dispensary  
10 license authorizes the holder to sell or serve on the licensed premises alcoholic  
11 beverages for consumption only on the licensed premises.

12 (b) The biennial beverage dispensary license fee is \$2,500.

13 (c) The holder of a beverage dispensary license may not maintain on the  
14 licensed premises more than one room in which there is regularly maintained a fixed  
15 counter or service bar that has plumbing connections to permanent plumbing at which  
16 alcoholic beverages are sold or served to members of the public for consumption,  
17 unless the license has a multiple fixed counter endorsement under AS 04.09.420.

18 (d) Except as provided under AS 04.09.610, 04.09.640, 04.09.670, and  
19 AS 04.16.120(c), the holder of a beverage dispensary license who sells or serves  
20 alcoholic beverages off the licensed premises or permits consumption off the premises  
21 of alcoholic beverages sold or served on the premises commits the offense of  
22 unauthorized beverage dispensary activity.

23 (e) Unauthorized beverage dispensary activity is a violation.

24 **Sec. 04.09.210. Restaurant or eating place license.** (a) A restaurant or eating  
25 place license authorizes a restaurant or eating place to

26 (1) sell brewed beverages and wine for consumption only on the  
27 licensed premises; and

28 (2) allow a person

29 (A) under 21 years of age access as provided in (d) of this  
30 section to the licensed premises; and

31 (B) to enter or remain on the licensed premises to consume

1 food or nonalcoholic beverages as authorized under AS 04.16.010(c)(5).

2 (b) The biennial restaurant or eating place license fee is \$1,250.

3 (c) The board may issue or renew a license under this section only if the

4 (1) board determines that

5 (A) the licensed premises is a bona fide restaurant as defined in  
6 AS 04.21.080(b);

7 (B) there is supervision on the premises adequate to reasonably  
8 ensure that a person under 21 years of age will not obtain alcoholic beverages;  
9 and

10 (C) it is unlikely that persons under 21 years of age not  
11 employed on the premises will enter and remain on the licensed premises for  
12 purposes other than dining; and

13 (2) sale and service of food and alcoholic beverages and any other  
14 business conducted on the licensed premises of the restaurant or eating place is under  
15 the sole control of the licensee.

16 (d) The board may authorize the holder of a restaurant or eating place license

17 (1) to allow a person who is at least 16 years of age but under 21 years  
18 of age to enter and remain on the licensed premises for dining only;

19 (2) to allow a person who is under 16 years of age to enter and remain  
20 on the licensed premises for dining only if

21 (A) the person is accompanied by a person who is 21 years of  
22 age or older; and

23 (B) the parent or guardian of the person consents to the person  
24 being on the licensed premises; and

25 (3) subject to AS 04.16.049, to employ or permit the employment of a  
26 person who is at least 16 years of age but under 21 years of age on the licensed  
27 premises if the employer provides adequate supervision to ensure that the person does  
28 not obtain alcoholic beverages.

29 (e) The holder of a restaurant or eating place license shall ensure that gross  
30 receipts from the sale of food for consumption on the licensed premises are not less  
31 than the total of the gross receipts from the sale of alcoholic beverages for

1 consumption on the licensed premises in each calendar year. At the time the holder  
2 submits an application for renewal of the license, the holder shall submit a statement  
3 to the board certifying that the holder has met the requirement under this subsection  
4 for the designated period of the license under AS 04.11.680. The board may renew a  
5 restaurant or eating place license only if the licensee's statement provides evidence  
6 satisfactory to the board that, during the designated period of the license under  
7 AS 04.11.680, the gross receipts from the sale of food for consumption on the licensed  
8 premises were not less than the total of the gross receipts from the sale of alcoholic  
9 beverages for consumption on the licensed premises.

10 (f) The holder of a restaurant or eating place license may provide  
11 entertainment on or adjacent to the licensed premises only between the hours of 10:00  
12 a.m. and 11:00 p.m. unless additional hours are approved by the director upon the  
13 written request of the licensee for a specific occasion. The director may not grant  
14 approval for additional hours of entertainment on or adjacent to the licensed premises  
15 of an individual licensee more than six times in a calendar year. In this subsection,  
16 "entertainment" includes dancing, karaoke, live performances, or similar activities, but  
17 does not include recorded or broadcast performances without live participation.

18 (g) Except as provided under AS 04.09.620, 04.09.640, 04.09.645, and  
19 AS 04.16.120(c), the holder of a restaurant or eating place license commits the offense  
20 of failure to comply with the terms of a restaurant or eating place license if the person  
21 sells brewed beverages or wine in violation of (a) of this section, engages in activity  
22 not authorized by the board under (d) of this section, or fails to comply with the  
23 requirements of (d), (e), or (f) of this section.

24 (h) Failure to comply with the terms of a restaurant or eating place license is a  
25 violation.

26 **Sec. 04.09.220. Club license.** (a) A club license authorizes a club or  
27 organization to sell alcoholic beverages for consumption only on the licensed  
28 premises.

29 (b) The biennial fee for a club license is \$1,500.

30 (c) The board may issue a club license only to an organization operated for  
31 social, recreational, benevolent, or athletic purposes and not for profit. The board may

1 issue a club license only to a club, fraternal organization, patriotic organization, or  
2 social organization that has been

3 (1) chartered by a state or national organization for a period of 10  
4 consecutive years before application for a license under this section; or

5 (2) chartered by a national organization that has maintained a chartered  
6 club or organization in the state for a period of at least 20 years.

7 (d) Alcoholic beverages sold under a club license may be purchased only by

8 (1) members of the club and their families;

9 (2) widows or widowers of deceased members of the club who have  
10 been accorded club privileges; and

11 (3) military personnel on active duty who are extended the privilege by  
12 patriotic organizations.

13 (e) Alcoholic beverages may be purchased only in the portion of the club  
14 rooms that are part of the licensed premises.

15 (f) Guests who enter the club premises on the invitation of a member and in  
16 the company of the member may be served but not sold alcoholic beverages. A guest  
17 shall leave the premises immediately upon the departure of the member who extended  
18 the invitation to enter.

19 (g) Notwithstanding AS 04.16.049, access by persons under 21 years of age to  
20 the

21 (1) licensed premises of a club is permitted when alcoholic beverages  
22 are not present; and

23 (2) premises of a patriotic organization licensed as a club under this  
24 section is permitted when alcoholic beverages are present, if the person possesses a  
25 valid active duty military or armed forces identification card issued by the United  
26 States Department of Defense or the United States Department of Homeland Security.

27 (h) The holder of a club license may not serve or sell alcoholic beverages for  
28 use or consumption off the licensed premises of the club or organization, including use  
29 or consumption by a club member or employee, except under a club caterer's permit.

30 (i) The holder of a club license may not

31 (1) solicit public patronage of the club premises, except as approved by

1 the board;

2 (2) distribute income from the sale of alcoholic beverages under the  
3 license to a member, director, or officer;

4 (3) sell or serve alcoholic beverages in club rooms outside the portion  
5 of the club rooms that are part of the licensed premises.

6 (j) In this section, "member" means a holder of a full year of paid membership  
7 entitling the holder to all voting rights and privileges of membership under the  
8 constitution or bylaws of the club or organization.

9 (k) The holder of a club license commits the offense of failure to comply with  
10 the terms of a club license if the person sells alcoholic beverages in violation of (a) of  
11 this section or violates (d), (e), (f), (h), or (i) of this section.

12 (l) Failure to comply with the terms of a club license is a violation.

13 **Sec. 04.09.230. Package store license.** (a) A package store license authorizes  
14 the holder to operate a package store to store alcoholic beverages with federally  
15 compliant labels and to sell alcoholic beverages with federally compliant labels to a  
16 person present on the licensed premises.

17 (b) The biennial package store license fee is \$1,500.

18 (c) The licensed premises occupied by the holder of a package store license  
19 may not be connected by a door, opening, or other means of passage intended for the  
20 access of the general public to an adjacent retail business not licensed under this title  
21 unless approved by the board.

22 (d) If the holder of a package store license also holds a beverage dispensary  
23 license, the licensed premises of the package store are contained within or are adjacent  
24 to the licensed premises of the beverage dispensary, and the only public entrance to  
25 the package store is by a door or other means within the beverage dispensary, the  
26 board shall determine whether additional entrances to the package store are necessary  
27 for enforcement purposes, to meet health and fire safety standards, or for the  
28 convenience of the public.

29 (e) The holder of a package store license may not

30 (1) offer alcoholic beverages for consumption on the licensed premises  
31 or allow the consumption of alcoholic beverages on the licensed premises except as

1 authorized by a package store sampling endorsement issued under AS 04.09.490 or a  
2 package store tasting event permit issued under AS 04.09.670;

3 (2) subdivide alcoholic beverages except as authorized by a package  
4 store repackaging endorsement issued under AS 04.09.480;

5 (3) offer alcoholic beverages for sale or sell alcoholic beverages to a  
6 person not present on the licensed premises who makes an order for shipment except  
7 as authorized by a package store shipping endorsement under AS 04.09.460; or

8 (4) deliver alcoholic beverages to a person not present on the licensed  
9 premises except as authorized by a package store delivery endorsement under  
10 AS 04.09.470.

11 (f) The holder of a package store license commits the offense of failure to  
12 comply with the terms of a package store license if the person stores or sells alcoholic  
13 beverages in violation of (a) of this section or fails to comply with (c) or (e) of this  
14 section.

15 (g) Failure to comply with the terms of a package store license is a violation.

16 **Sec. 04.09.240. Pub license.** (a) A pub license authorizes the holder to sell  
17 brewed beverages and wine for consumption only at a designated premises located on  
18 the campus of an accredited college or university.

19 (b) The biennial pub license fee is \$1,250.

20 (c) The board may not

21 (1) issue more than one pub license for each accredited college or  
22 university campus in the state; and

23 (2) issue or renew a pub license without the written approval of the  
24 governing body of the accredited college or university.

25 (d) The board may designate two alternating premises for a pub license if

26 (1) both premises are

27 (A) located on the accredited college or university campus;

28 (B) not located in contiguous rooms or adjacent buildings; and

29 (C) under the licensee's control;

30 (2) at any time, only one location is operating as a licensed premises  
31 with specified operating hours approved by the board; and

1 (3) all alcoholic beverages are either removed from the alternate  
2 premises or stored in a secure location that is not accessible to the general public  
3 during times when the alternate premises is not operating as a licensed premises.

4 (e) The board may suspend or revoke a licensee's use of an alternate premises  
5 under (d) of this section after providing written notice and an opportunity to be heard  
6 to the licensee.

7 (f) In this section, "accredited college or university" means a college or  
8 university accredited by the Northwest Commission on Colleges and Universities.

9 (g) The holder of a pub license commits the offense of failure to comply with  
10 the terms of a pub license if the person sells brewed beverages or wine in violation of  
11 (a) of this section.

12 (h) Failure to comply with the terms of a pub license is a violation.

13 **Sec. 04.09.250. Theater license.** (a) A theater license authorizes the holder of  
14 a beverage dispensary license or a restaurant or eating place license to sell alcoholic  
15 beverages for consumption on licensed premises at a specified theater site, except that  
16 a restaurant or eating place licensee with a theater license may only sell brewed  
17 beverages and wine.

18 (b) The biennial theater license fee is \$1,250.

19 (c) The holder of a theater license may sell or serve alcoholic beverages only  
20 in designated areas on the licensed premises, and only for one hour before the event  
21 and during intermissions.

22 (d) The holder of a theater license may not sell, serve, or permit the  
23 consumption of alcoholic beverages in the audience viewing area.

24 (e) The holder of a theater license shall post the license conspicuously in the  
25 theater during times when alcoholic beverages are sold.

26 (f) The board may not approve an application for transfer of a theater license  
27 to another location.

28 (g) In this section, "theater" means a location where events, including plays,  
29 operas, orchestra concerts, readings, and similar activities as determined by the board  
30 are presented by live performers on a stage.

31 (h) A person commits the offense of failure to comply with the terms of a

1 theater license if the person sells, serves, or permits the consumption of alcoholic  
2 beverages except as permitted in this section or fails to post the license as required by  
3 this section.

4 (i) Failure to comply with the terms of a theater license is a violation.

5 **Sec. 04.09.260. Common carrier dispensary license.** (a) A common carrier  
6 dispensary license authorizes the holder to sell alcoholic beverages for consumption  
7 aboard a boat or train licensed by a state or federal agency for passenger travel, or  
8 aboard aircraft operated by an airline licensed by a state or federal agency for  
9 passenger travel.

10 (b) Except as provided for airlines under (c) of this section, the biennial  
11 common carrier dispensary license fee is \$1,000 for each of the first 10 licenses a  
12 common carrier holds and \$100 for each additional license issued to the common  
13 carrier after the first 10 licenses.

14 (c) The biennial fee for a common carrier dispensary license issued to an  
15 airline is the fee specified under (b) of this section for each aircraft in which alcoholic  
16 beverages are served or \$2,000 for each community served by the airline. An airline  
17 shall specify the fee applicable to the license at the time of the airline's application for  
18 issuance or renewal of the license.

19 (d) Except for a common carrier that is an airline, a common carrier shall  
20 obtain a license for each boat or train in which alcoholic beverages are served. After  
21 obtaining an initial license for the first boat or train, the common carrier may obtain  
22 additional licenses for additional boats or trains upon making a written request  
23 identifying the boat or train in the manner prescribed by the board, and paying the  
24 biennial fee for additional licensed premises as required by (b) of this section.

25 (e) The holder of a common carrier dispensary license who exceeds the  
26 authority granted in (a) of this section commits the crime of unauthorized common  
27 carrier dispensary activity.

28 (f) Unauthorized common carrier dispensary activity is a class A  
29 misdemeanor.

30 (g) The holder of a common carrier dispensary license who fails to comply  
31 with (b) - (d) of this section commits the offense of common carrier dispensary

1 noncompliance.

2 (h) Common carrier dispensary noncompliance is a violation and is punishable  
3 by a fine of \$500 for each boat, train, or aircraft not in compliance with this section.

4 **Sec. 04.09.270. Sporting activity or event license.** (a) A sporting activity or  
5 event license authorizes the holder to sell brewed beverages and wine at multiple  
6 noncontiguous locations at a sporting activity or event site during and one hour before  
7 and after a sporting activity or event that is not a school activity or event, for  
8 consumption on designated areas at the sporting activity or event site.

9 (b) The biennial sporting activity or event license fee is \$1,250.

10 (c) In this section, "sporting activity or event site" includes a location where  
11 baseball, hockey, rugby, soccer, or football games, car races, dog sled racing events,  
12 rodeos, skiing and snowboarding activities, bowling games or leagues, or curling  
13 matches are regularly held.

14 (d) The holder of a sporting activity or event license who sells brewed  
15 beverages or wine off the licensed premises or during hours not authorized under (a)  
16 of this section or who permits consumption off the premises of brewed beverages or  
17 wine sold on the premises commits the offense of unauthorized sporting activity or  
18 event activity.

19 (e) Unauthorized sporting activity or event activity is a violation.

20 (f) The holder, on the day before the effective date of this section, of a  
21 recreational site license issued under former AS 04.11.210 who offered brewed  
22 beverages and wine for sale to the public for consumption on the licensed premises  
23 may continue to offer brewed beverages and wine for sale to the public for  
24 consumption on the premises until December 31, 2027, for a license renewing on an  
25 odd-numbered year, or December 31, 2028, for a license renewing on an even-  
26 numbered year, if the holder of the license is otherwise in compliance with the  
27 requirements of this title as it read on the day before the effective date of this section.

28 **Sec. 04.09.280. Outdoor recreation lodge license.** (a) An outdoor recreation  
29 lodge license authorizes the holder to sell alcoholic beverages to a registered overnight  
30 guest or off-duty staff of the lodge for consumption on the licensed premises or in  
31 conjunction with purchased outdoor recreation activities provided by the licensee.

1 (b) The biennial outdoor recreation lodge license fee is \$2,500.

2 (c) The board may not grant an application for transfer of an outdoor  
3 recreation lodge license to another location.

4 (d) In this section, "outdoor recreation lodge" means a licensed business that  
5 provides overnight accommodations and meals, is primarily involved in offering  
6 opportunities for persons to engage in outdoor recreation activities, and has a  
7 minimum of two guest rooms.

8 (e) The holder of an outdoor recreation lodge license who sells alcoholic  
9 beverages in violation of the authority granted under (a) of this section commits the  
10 offense of unauthorized outdoor recreation lodge activity.

11 (f) Unauthorized outdoor recreation lodge activity is a violation.

12 **Sec. 04.09.290. Fair license.** (a) A fair license authorizes the holder to sell  
13 beer and wine at multiple noncontiguous locations during an event held on fairgrounds  
14 for consumption on the licensed premises.

15 (b) The biennial fair license fee is \$1,250.

16 (c) The board may issue a fair license only to a nonprofit organization that is  
17 incorporated under AS 10.20 and has been active for a period of at least five years  
18 before the effective date of sec. 13 of this Act.

19 **Sec. 04.09.300. Golf course license.** (a) A golf course license authorizes the  
20 holder to sell brewed beverages and wine for consumption on the licensed premises.

21 (b) The biennial golf course license fee is \$1,250.

22 (c) An application for a golf course license must include

23 (1) a drawing of the golf course with an annotated illustration and  
24 description of the portions of the course that are intended to be licensed premises; and

25 (2) a sample food menu.

26 (d) The board may not approve an application for transfer of a golf course  
27 license to another location.

28 (e) The holder of a golf course license shall make food similar to that listed in  
29 the sample menu available during times when brewed beverages and wine are sold,  
30 served, and consumed on the licensed premises.

31 (f) The holder of a golf course license may not allow a person other than the

1 holder or an agent or employee of the holder, in the regular course of employment, to  
2 bring alcoholic beverages onto the licensed premises or other portions of the course  
3 for consumption.

4 (g) In this section, "licensed premises" includes the golf course, a driving  
5 range, a club house, and other buildings located on the course, and a vending cart  
6 carrying beverages or food to, from, or on the course, and does not include the parking  
7 lot.

8 (h) The holder of a golf course license commits the offense of failure to  
9 comply with the terms of a golf course license if the person sells brewed beverages or  
10 wine in violation of this section or violates (e) or (f) of this section.

11 (i) Failure to comply with the terms of a golf course license is a violation.

12 **Sec. 04.09.310. Destination resort license.** (a) A destination resort license  
13 authorizes the holder to sell alcoholic beverages at multiple noncontiguous locations at  
14 a destination resort for consumption on the licensed premises in conjunction with the  
15 visitor activities provided by the licensee to cruise ship passengers and staff and other  
16 visitors while the cruise ship is in port at the resort.

17 (b) The biennial destination resort license fee is \$2,500.

18 (c) The board may not approve an application for transfer of a destination  
19 resort license to another location.

20 (d) In this section, "destination resort" means a business that owns a site of at  
21 least 20 acres that is used principally as a destination for cruise ships and other vessels  
22 that carry a minimum of 50 passengers and that does not provide overnight lodging on  
23 its premises for visitors.

24 (e) The holder of a destination resort license commits the offense of failure to  
25 comply with a destination resort license if the person sells alcoholic beverages in  
26 violation of (a) of this section.

27 (f) Failure to comply with the terms of a destination resort license is a  
28 violation.

29 **Sec. 04.09.320. Brewery retail license.** (a) A brewery retail license authorizes  
30 the holder to store, sell, or serve on the licensed premises brewed beverages for  
31 consumption on and off the premises.

1 (b) The biennial brewery retail license fee is \$1,250.

2 (c) The board may issue a brewery retail license only to the holder of a  
3 brewery manufacturer license under AS 04.09.020. The brewery retail licensed  
4 premises may be all or part of the brewery manufacturer licensed premises, or the  
5 brewery retail licensed premises may be at a single different site that is adjacent to the  
6 brewery manufacturer licensed premises.

7 (d) Each day, the holder of a brewery retail license may sell, to a person on the  
8 licensed premises for consumption on the licensed premises, not more than

9 (1) 36 ounces of the holder's beer; or

10 (2) 18 ounces of the holder's sake.

11 (e) Except as provided under (g) of this section and AS 04.09.685, the holder  
12 of a brewery retail license may not

13 (1) allow live music or performances, disc jockeys, karaoke,  
14 televisions, pool tables, dart games, or organized games or tournaments on the  
15 premises where the consumption occurs;

16 (2) provide seats at the counter or bar where the brewed beverages are  
17 served;

18 (3) open the room where the consumption occurs before 9:00 a.m.; or

19 (4) serve brewed beverages after 10:00 p.m.

20 (f) Each day, the holder of a brewery retail license is authorized to sell, to a  
21 person on the licensed premises for consumption off the licensed premises, not more  
22 than 5.167 gallons of the holder's beer or sake.

23 (g) The holder of a brewery retail license may allow on the premises where the  
24 consumption occurs

25 (1) activities, presentations, television or video displays, or other  
26 displays that directly promote or educate customers about the brewery's products,  
27 processes, or establishment; and

28 (2) other community organizations or businesses to provide  
29 presentations, classes, or product displays or host fundraisers.

30 (h) The holder of a brewery retail license commits the offense of failure to  
31 comply with the terms of a brewery retail license if the person stores, sells, or serves

1 brewed beverages in violation of (a) of this section or violates (d), (e), or (f) of this  
2 section.

3 (i) Failure to comply with the terms of a brewery retail license is a violation.

4 **Sec. 04.09.330. Winery retail license.** (a) A winery retail license authorizes  
5 the holder to store, sell, or serve on the licensed premises wine for consumption on  
6 and off the premises.

7 (b) The biennial winery retail license fee is \$1,000.

8 (c) The board may issue a winery retail license only to the holder of a winery  
9 manufacturer license issued under AS 04.09.030. The winery retail licensed premises  
10 may be all or part of the winery manufacturer licensed premises, or the winery retail  
11 licensed premises may be at a single different site that is adjacent to the winery  
12 manufacturer licensed premises.

13 (d) Each day, the holder of a winery retail license may sell, to a person on the  
14 licensed premises for consumption on the licensed premises, a total volume that does  
15 not exceed

16 (1) 18 ounces of the holder's wine, mead, or cider containing 8.5  
17 percent or more alcohol by volume;

18 (2) 36 ounces of the holder's mead or cider containing less than 8.5  
19 percent alcohol by volume; or

20 (3) the alcoholic equivalent of (1) or (2) of this subsection.

21 (e) Except as provided under (g) of this section and AS 04.09.685, the holder  
22 of a winery retail license may not

23 (1) allow live music or performances, disc jockeys, karaoke,  
24 televisions, pool tables, dart games, or organized games or tournaments on the  
25 premises where the consumption occurs;

26 (2) provide seats at the counter or bar where the wine is served;

27 (3) open the room where the consumption occurs before 9:00 a.m.; or

28 (4) serve wine after 10:00 p.m.

29 (f) Each day, the holder of a winery retail license is authorized to sell, to a  
30 person on the licensed premises for consumption off the licensed premises, not more  
31 than 5.167 gallons of the holder's wine, mead, or cider.

1 (g) The holder of a winery retail license may allow on the premises where the  
2 consumption occurs

3 (1) activities, presentations, television or video displays, or other  
4 displays that directly promote or educate customers about the winery's products,  
5 processes, or establishment; and

6 (2) other community organizations or businesses to provide  
7 presentations, classes, or product displays or host fundraisers.

8 (h) The holder of a winery retail license commits the offense of failure to  
9 comply with the terms of a winery retail license if the person stores, sells, or serves  
10 wine in violation of (a) of this section or violates (d), (e), or (f) of this section.

11 (i) Failure to comply with the terms of a winery retail license is a violation.

12 **Sec. 04.09.340. Distillery retail license.** (a) A distillery retail license  
13 authorizes the holder to store, sell, or serve on the licensed premises distilled spirits  
14 for consumption on and off the premises.

15 (b) The biennial distillery retail license fee is \$1,250.

16 (c) The board may issue a distillery retail license only to the holder of a  
17 distillery manufacturer license under AS 04.09.040. The distillery retail licensed  
18 premises may be all or part of the distillery manufacturer licensed premises, or the  
19 distillery retail licensed premises may be at a single different site that is adjacent to the  
20 distillery manufacturer licensed premises.

21 (d) The holder of a distillery retail license may sell not more than three ounces  
22 of the holder's distilled spirits each day to a person on the licensed premises for  
23 consumption on the licensed premises. The holder of a distillery retail license may  
24 combine the holder's distilled spirits under this subsection with other ingredients that  
25 are not alcoholic beverages, including mixers, liquids, and garnishes.

26 (e) Except as provided under (g) of this section and AS 04.09.685, the holder  
27 of a distillery retail license may not

28 (1) allow live music or performances, disc jockeys, karaoke,  
29 televisions, pool tables, dart games, or organized games or tournaments on the  
30 premises where the consumption occurs;

31 (2) provide seats at the counter or bar where the distilled spirits are

1 served;

2 (3) open the room where the consumption occurs before 9:00 a.m.; or

3 (4) serve distilled spirits after 10:00 p.m.

4 (f) The holder of a distillery retail license is authorized to sell not more than  
5 3.75 liters of the holder's distilled spirits each day to a person on the licensed premises  
6 for consumption off the licensed premises.

7 (g) The holder of a distillery retail license may allow on the premises where  
8 the consumption occurs

9 (1) activities, presentations, television or video displays, or other  
10 displays that directly promote or educate customers about the distillery's products,  
11 processes, or establishment; and

12 (2) other community organizations or businesses to provide  
13 presentations, classes, or product displays or host fundraisers.

14 (h) The holder of a distillery retail license commits the offense of failure to  
15 comply with the terms of a distillery retail license if the person stores, sells, or serves  
16 distilled spirits in violation of (a) of this section or violates (d), (e), or (f) of this  
17 section.

18 (i) Failure to comply with the terms of a distillery retail license is a violation.

19 **Sec. 04.09.350. Beverage dispensary tourism license.** (a) A beverage  
20 dispensary tourism license authorizes the holder to sell or serve on the licensed  
21 premises alcoholic beverages for consumption only on the licensed premises.

22 (b) The biennial beverage dispensary tourism license fee is \$2,500.

23 (c) The board may

24 (1) issue a new beverage dispensary tourism license if it appears that  
25 the issuance will encourage the tourist trade by promoting the construction or  
26 improvement of

27 (A) a hotel, motel, resort, or similar business relating to the  
28 tourist trade with a dining facility or having kitchen facilities in a majority of  
29 its rental rooms and at least a minimum number of rental rooms required  
30 according to the population of the incorporated city, unified municipality, or  
31 population area established under AS 04.11.400(a) in which the facility will be

1 located, as follows:

2 (i) 10 rental rooms if the population is less than 1,501;

3 (ii) 20 rental rooms if the population is 1,501 - 2,500;

4 (iii) 25 rental rooms if the population is 2,501 - 5,000;

5 (iv) 30 rental rooms if the population is 5,001 - 15,000;

6 (v) 35 rental rooms if the population is 15,001 - 25,000;

7 (vi) 40 rental rooms if the population is 25,001 -

8 50,000; and

9 (vii) 50 rental rooms if the population is greater than

10 50,000; or

11 (B) an airport terminal; and

12 (2) approve the renewal or transfer of ownership of a beverage  
13 dispensary tourism license initially issued under (1) of this subsection or initially  
14 issued as a beverage dispensary license under AS 04.11.400, as that section read on  
15 the date of the initial licensure, if the

16 (A) holder of the license operates a hotel, motel, resort, or  
17 similar business relating to the tourist trade that

18 (i) has a dining facility on the licensed premises or  
19 kitchen facilities in a majority of its rental rooms; and

20 (ii) maintains at least the minimum number of rental  
21 rooms that the hotel, motel, resort, or similar business had at the time of  
22 initial licensure or that were required at the time of initial licensure; or

23 (B) licensed premises are located inside an airport terminal.

24 (d) The holder of a beverage dispensary tourism license may not maintain on  
25 the licensed premises more than one room in which there is regularly maintained a  
26 fixed counter or service bar that has plumbing connections to permanent plumbing at  
27 which alcoholic beverages are sold or served to members of the public for  
28 consumption unless the license has a multiple fixed counter endorsement under  
29 AS 04.09.420, a hotel or motel endorsement under AS 04.09.430, or a large resort  
30 endorsement under AS 04.09.440.

31 (e) Except as provided under AS 04.09.610, 04.09.640, 04.09.670, and

1 AS 04.16.120(c), the holder of a beverage dispensary tourism license who sells or  
 2 serves alcoholic beverages off the licensed premises or permits consumption off the  
 3 premises of alcoholic beverages sold or served on the premises commits the offense of  
 4 unauthorized beverage dispensary tourism activity.

5 (f) Unauthorized beverage dispensary tourism activity is a violation.

6 **Sec. 04.09.360. Seasonal restaurant or eating place tourism license.** (a) A  
 7 seasonal restaurant or eating place tourism license authorizes a restaurant or eating  
 8 place to

9 (1) sell brewed beverages and wine for consumption only on the  
 10 licensed premises for a period not to exceed six months in each calendar year; and

11 (2) allow a person

12 (A) under 21 years of age access as provided in (f) of this  
 13 section to the licensed premises; and

14 (B) to enter or remain on the licensed premises to consume  
 15 food or nonalcoholic beverages as authorized under AS 04.16.010(c)(5).

16 (b) The biennial seasonal restaurant or eating place tourism license fee is  
 17 \$1,250.

18 (c) The board may issue or renew a license under this section only if

19 (1) the board determines that

20 (A) the licensed premises is a bona fide restaurant as defined in  
 21 AS 04.21.080(b);

22 (B) there is supervision on the premises adequate to reasonably  
 23 ensure that a person under 21 years of age will not obtain alcoholic beverages;  
 24 and

25 (C) it is unlikely that persons under 21 years of age not  
 26 employed on the premises will enter and remain on the licensed premises for  
 27 purposes other than dining; and

28 (2) the sale and service of food and alcoholic beverages and any other  
 29 business conducted on the licensed premises of the restaurant or eating place is under  
 30 the sole control of the licensee.

31 (d) The board may issue a license under this section only in a municipality or

1 established village that

2 (1) has a population of 40,000 or less; and

3 (2) receives more than 4,000 visitors a year, as determined by the  
4 board in regulation.

5 (e) The board may issue a license or approve an application for the transfer of  
6 ownership of a license under this section if it appears that issuance or transfer will  
7 encourage the tourism trade.

8 (f) The board may authorize the holder of a seasonal restaurant or eating place  
9 tourism license

10 (1) to allow a person who is at least 16 years of age but under 21 years  
11 of age to enter and remain on the licensed premises for dining only;

12 (2) to allow a person who is under 16 years of age to enter and remain  
13 on the licensed premises for dining only if

14 (A) the person is accompanied by a person who is 21 years of  
15 age or older; and

16 (B) the parent or guardian of the person consents to the person  
17 being on the licensed premises; and

18 (3) subject to AS 04.16.049, to employ or permit the employment of a  
19 person who is at least 16 years of age but under 21 years of age on the licensed  
20 premises if the employer provides adequate supervision to ensure that the person does  
21 not obtain alcoholic beverages.

22 (g) The holder of a seasonal restaurant or eating place tourism license shall  
23 ensure that gross receipts from the sale of food for consumption on the licensed  
24 premises are not less than the total of the gross receipts from the sale of alcoholic  
25 beverages for consumption on the licensed premises in each calendar year. At the time  
26 the holder submits an application for renewal of the license, the holder shall submit a  
27 statement to the board certifying that the holder has met the requirement under this  
28 subsection for the designated period of the license under AS 04.11.680. The board  
29 may renew a seasonal restaurant or eating place tourism license only if the licensee  
30 provides evidence satisfactory to the board that, during the designated period of the  
31 license under AS 04.11.680, the gross receipts from the sale of food for consumption

1 on the licensed premises were not less than the total of the gross receipts from the sale  
2 of alcoholic beverages for consumption on the licensed premises.

3 (h) The board shall adopt a regulation establishing a formula to limit the  
4 number of seasonal restaurant or eating place tourism licenses.

5 (i) The holder of a seasonal restaurant or eating place tourism license may  
6 provide entertainment on or adjacent to the licensed premises only between the hours  
7 of 10:00 a.m. and 11:00 p.m. unless additional hours are approved by the director  
8 upon the written request of the licensee for a specific occasion. The director may not  
9 grant approval for additional hours of entertainment on or adjacent to the licensed  
10 premises of an individual licensee more than three times in a calendar year. In this  
11 subsection, "entertainment" includes dancing, karaoke, live performances, or similar  
12 activities, but does not include recorded or broadcast performances without live  
13 participation.

14 (j) Except as provided under AS 04.09.620, 04.09.640, and AS 04.16.120(c),  
15 the holder of a seasonal restaurant or eating place tourism license commits the offense  
16 of failure to comply with the terms of a seasonal restaurant or eating place tourism  
17 license if the person sells brewed beverages or wine in violation of (a) of this section,  
18 engages in activity not authorized by the board under (f) of this section, or fails to  
19 comply with the requirements of (f), (g), or (i) of this section.

20 (k) Failure to comply with the terms of a seasonal restaurant or eating place  
21 tourism license is a violation.

22 **Sec. 04.09.370. Winery direct shipment license.** (a) A winery direct shipment  
23 license authorizes the holder of a winery retail license issued under AS 04.09.330, or  
24 the holder of a winery license issued in another state, to sell the holder's wine in  
25 response to an order for shipment to a person, for personal use only and not for resale,  
26 who is located in the state. A winery direct shipment license may not be transferred to  
27 another person or another location.

28 (b) The biennial fee for a winery direct shipment license is \$200.

29 (c) An applicant for issuance or renewal of a winery direct shipment license  
30 shall

31 (1) submit an application on a form prescribed by the board;

1 (2) consent to the jurisdiction of the board, the Department of  
2 Revenue, and any other state agency or state court concerning enforcement of this  
3 title; and

4 (3) if the applicant is the holder of a license or permit authorizing the  
5 holder to manufacture and sell wine to the public issued in another state, provide to the  
6 board a copy of the holder's license or permit issued

7 (A) in the state; and

8 (B) by the Alcohol and Tobacco Tax and Trade Bureau.

9 (d) All wine shipped to a purchaser in the state by the holder of a winery direct  
10 shipment license is subject to the state excise tax.

11 (e) The holder of a winery direct shipment license may not

12 (1) ship wine to an address with a zip code located in an area that has  
13 adopted a local option under AS 04.11.491;

14 (2) sell more than the equivalent of six nine-liter cases of wine to a  
15 purchaser in one transaction, or more than the equivalent of 12 nine-liter cases of wine  
16 to a purchaser in a calendar year; and

17 (3) ship wine using a common carrier who is not approved by the  
18 board to ship alcoholic beverages to persons in the state under AS 04.09.750(b).

19 (f) Before shipping an order under this section, the holder of a winery direct  
20 shipment license shall

21 (1) verify that the person submitting the order is at least 21 years of  
22 age, using an age verification service or other method, and that the named recipient of  
23 the shipment, if not the same person as the person submitting the order, is at least 21  
24 years of age;

25 (2) determine that the order will not exceed the limits of (e)(2) of this  
26 section;

27 (3) provide written or electronic information to the person submitting  
28 the order on fetal alcohol syndrome and fetal alcohol effects resulting from a woman's  
29 consumption of alcohol during pregnancy; and

30 (4) label the shipping container as containing alcoholic beverages and  
31 requiring a signature by a person who is at least 21 years of age upon delivery.

- 1 (g) The holder of a winery direct shipment license shall
- 2 (1) retain records of sales made under this license for at least two
- 3 years; and
- 4 (2) make records of sales available for inspection and audit by the
- 5 board and the Department of Revenue.
- 6 (h) The board shall compile a list that is available for public inspection of zip
- 7 codes that are located within a local option area and notify the holder of a winery
- 8 direct shipment license of any change to the list.
- 9 (i) The holder of a winery direct shipment license commits the offense of
- 10 failure to comply with the terms of a winery direct shipment license if the person fails
- 11 to comply with (e) - (g) of this section.
- 12 (j) Failure to comply with the terms of a winery direct shipment license is a
- 13 violation.

14 **Article 5. Endorsements.**

15 **Sec. 04.09.400. Types of endorsements.** (a) An endorsement expands the

16 boundaries of a licensed premises or the authorized activities of a licensed business.

17 (b) Only the board may issue an endorsement. The board may issue only the

18 endorsements authorized in AS 04.09.400 - 04.09.520.

19 (c) An endorsement is valid only in conjunction with a license. An

20 endorsement may be transferred to another person only if the license for which the

21 endorsement was issued is also transferred to that person. An endorsement expires if

22 the licensed premises are relocated, the license expires, or the license is revoked.

23 (d) Except as provided in (c) of this section, an endorsement is valid for the

24 duration of the license as designated in AS 04.11.680. The holder of the endorsement

25 shall renew the endorsement biennially.

26 (e) An application for an endorsement under AS 04.09.400 - 04.09.520 must

27 (1) be made in writing on a form prescribed by the board; and

28 (2) demonstrate that the holder of the license has authority over and

29 will exercise control over conduct of the business in all areas of the licensed premises,

30 including premises newly licensed by the endorsement.

31 **Sec. 04.09.410. Manufacturer sampling endorsement.** (a) A manufacturer

1 sampling endorsement authorizes the holder of a brewery manufacturer license,  
 2 winery manufacturer license, or distillery manufacturer license to offer for  
 3 consumption on the licensed premises at no charge a small sample of an alcoholic  
 4 beverage produced by the manufacturer.

5 (b) The biennial fee for a manufacturer sampling endorsement is \$200.

6 (c) A person serving a sample of an alcoholic beverage under this section must  
 7 have a current alcohol server education card issued under AS 04.21.025(c). Only the  
 8 license holder or an agent or employee of the license holder may serve a sample.

9 (d) The holder of a manufacturer sampling endorsement may serve a total  
 10 volume of samples to a person on a licensed premises each day that does not exceed

11 (1) for the holder of a brewery manufacturer license,

12 (A) 12 ounces of beer;

13 (B) six ounces of sake; or

14 (C) the alcoholic equivalent of (A) or (B) of this paragraph;

15 (2) for the holder of a winery manufacturer license,

16 (A) six ounces of wine, mead, or cider containing 8.5 percent  
 17 or more alcohol by volume;

18 (B) 12 ounces of mead or cider containing less than 8.5 percent  
 19 alcohol by volume; or

20 (C) the alcoholic equivalent of (A) or (B) of this paragraph;

21 (3) for the holder of a distillery manufacturer license, 1.5 ounces of  
 22 distilled spirits; the holder of the distillery manufacturer license may combine the  
 23 holder's distilled spirits under this paragraph with other ingredients that are not  
 24 alcoholic beverages, including mixers, liquids, and garnishes.

25 (e) A person who offers a sample of an alcoholic beverage for consumption on  
 26 the licensed premises of a brewery, winery, or distillery without an endorsement under  
 27 this section commits the offense of unendorsed sampling.

28 (f) Unendorsed sampling is a violation and is punishable by a fine of \$500.

29 (g) The holder of a manufacturer sampling endorsement who fails to comply  
 30 with the requirements of (c) or (d) of this section commits the offense of failure to  
 31 comply with the terms of a manufacturer sampling endorsement.

1 (h) Failure to comply with the terms of a manufacturer sampling endorsement  
2 is a violation.

3 **Sec. 04.09.420. Multiple fixed counter endorsement.** (a) A multiple fixed  
4 counter endorsement authorizes the holder of a beverage dispensary license or a  
5 beverage dispensary tourism license to sell or serve alcoholic beverages on the  
6 licensed premises from multiple fixed counters.

7 (b) The biennial fee for a multiple fixed counter endorsement is \$200.

8 (c) In addition to the fee under (b) of this section, the initial application fee for  
9 each fixed counter covered under the endorsement is \$1,250.

10 (d) An initial application for a multiple fixed counter endorsement must  
11 include an annotated drawing of the location of each fixed counter in the licensed  
12 premises.

13 (e) A fixed counter at which alcoholic beverages are sold or served to the  
14 public for consumption covered under a multiple fixed counter endorsement must be a  
15 regularly maintained fixed counter or service bar that has plumbing connections to  
16 permanent plumbing. Multiple fixed counters must be located in the same building  
17 under the same contiguous licensed premises as set out in regulation, except as  
18 provided for the holder of a hotel or motel endorsement under AS 04.09.430 or a large  
19 resort endorsement under AS 04.09.440. The board shall adopt regulations to  
20 implement this subsection.

21 (f) The holder of a beverage dispensary license or a beverage dispensary  
22 tourism license who maintains multiple fixed counters without an endorsement under  
23 this section commits the offense of unendorsed service at multiple fixed counters.

24 (g) The holder of a multiple fixed counter endorsement who fails to comply  
25 with the requirements of (e) of this section commits the offense of multiple fixed  
26 counter endorsement noncompliance.

27 (h) Unendorsed service at multiple fixed counters is a violation and is  
28 punishable by a fine of \$500.

29 (i) Multiple fixed counter endorsement noncompliance is a violation.

30 **Sec. 04.09.430. Hotel or motel endorsement.** (a) A hotel or motel  
31 endorsement authorizes the holder of a beverage dispensary license or a beverage

1 dispensary tourism license that is a hotel, motel, resort, or similar business premises  
2 that caters to the traveling public as a substantial part of its business to sell or serve  
3 alcoholic beverages on the licensed premises, including in a dining room, banquet  
4 room, and other public areas approved by the board, and in guest rooms.

5 (b) The biennial fee for a hotel or motel endorsement is \$200.

6 (c) The holder of a beverage dispensary license or a beverage dispensary  
7 tourism license that is a hotel, motel, resort, or similar business premises that caters to  
8 the traveling public as a substantial part of its business shall apply for a multiple fixed  
9 counter endorsement under AS 04.09.420 to sell or serve alcoholic beverages at a  
10 secondary location located in a building different than the licensed premises for the  
11 beverage dispensary license or a beverage dispensary tourism license if the different  
12 building

13 (1) is located on the same property as, adjacent to, or attached to the  
14 originally licensed premises;

15 (2) principally caters to guests of the hotel or motel; and

16 (3) principally encourages the tourism trade at the hotel or motel.

17 (d) The holder of a hotel or motel endorsement may stock alcoholic beverages  
18 in guest rooms, for sale and consumption only in the guest room. Alcoholic beverages  
19 stocked under this subsection must be stocked by an employee who is 21 years of age  
20 or older, may not be supplied or resupplied during hours that the sale of alcoholic  
21 beverages is prohibited as provided under AS 04.16.010(a) and (d), and must be stored  
22 in a unit using a key or combination lock system within the guest room. A key lock  
23 system must be designed to prevent the removal of the key unless the unit is locked.  
24 Except for the licensee, or an agent or employee of the licensee, a key or combination  
25 enabling a person to obtain alcoholic beverages stocked in a guest room may be  
26 provided only to a guest who occupies the room and who is 21 years of age or older.

27 (e) The holder of a hotel or motel endorsement shall exercise control over  
28 conduct of the business in all areas of the licensed premises.

29 (f) The holder of a beverage dispensary license or a beverage dispensary  
30 tourism license who engages in activity under this section without an endorsement  
31 under this section commits the offense of unendorsed hotel or motel service.

1 (g) The holder of a hotel or motel endorsement who fails to comply with the  
2 requirements of this section commits the offense of hotel or motel endorsement  
3 noncompliance.

4 (h) Unendorsed hotel or motel service is a violation and is punishable by a fine  
5 of \$500.

6 (i) Hotel or motel endorsement noncompliance is a violation.

7 **Sec. 04.09.440. Large resort endorsement.** (a) A large resort endorsement  
8 authorizes the holder of a beverage dispensary license or a beverage dispensary  
9 tourism license that is a large resort to sell or serve alcoholic beverages from multiple  
10 locations on the resort property to guests for consumption in areas on the site of the  
11 large resort, including a dining room, banquet room, guest room, open air venue, and  
12 ingress or egress route between those areas.

13 (b) The biennial fee for a large resort endorsement is \$200.

14 (c) The holder of a large resort endorsement shall apply for a multiple fixed  
15 counter endorsement under AS 04.09.420 to sell or serve alcoholic beverages from  
16 multiple locations within the large resort's property. The locations do not need to be  
17 located in the same building or on the same parcel, but must be within the boundary of  
18 the large resort, as that term is defined in (h) of this section.

19 (d) The holder of a large resort endorsement may sell or serve alcoholic  
20 beverages only from locations on the site of the large resort.

21 (e) For federal income tax purposes, the profit and loss from the licensed  
22 business conducted at locations on the resort under a large resort endorsement, other  
23 than guest rooms, must be combined or consolidated with the profit and loss from the  
24 licensed business conducted under the multiple fixed counter endorsement.

25 (f) The holder of a large resort endorsement shall exercise control over  
26 conduct of the business in all areas of the licensed premises.

27 (g) A holder of a beverage dispensary license with a large resort endorsement  
28 may stock alcoholic beverages in guest rooms, for sale and consumption only in the  
29 guest room. Alcoholic beverages stocked under this subsection must be stocked by an  
30 employee who is 21 years of age or older, may not be supplied or resupplied during  
31 hours that the sale of alcoholic beverages is prohibited as provided under

1 AS 04.16.010(a) and (d), and must be stored in a unit using a key or combination lock  
2 system within the guest room. A key lock system must be designed to prevent the  
3 removal of the key unless the unit is locked. Except for the licensee, or an agent or  
4 employee of the licensee, a key or combination enabling a person to obtain alcoholic  
5 beverages stocked in a guest room may be provided only to a guest who occupies the  
6 room and who is 21 years of age or older.

7 (h) In this section, "large resort" means a resort that offers both outdoor  
8 recreational activities and overnight lodging to the public and is located on a site  
9 consisting of at least 10 contiguous acres containing one or more parcels of real  
10 property owned by the licensee, leased by the licensee, or a combination of parcels  
11 owned by the licensee and leased by the licensee.

12 (i) The holder of a beverage dispensary license or a beverage dispensary  
13 tourism license who engages in activity for which a large resort endorsement is  
14 required under this section without an endorsement under this section commits the  
15 offense of unendorsed large resort service.

16 (j) The holder of a large resort endorsement who fails to comply with the  
17 requirements of (c) - (g) of this section commits the offense of large resort  
18 endorsement noncompliance.

19 (k) Unendorsed large resort service is a violation and is punishable by a fine of  
20 \$500.

21 (l) Large resort endorsement noncompliance is a violation.

22 **Sec. 04.09.450. Restaurant endorsement.** (a) A restaurant endorsement  
23 authorizes the holder of a beverage dispensary license, fair license, golf course license,  
24 sporting activity or event license, club license, outdoor recreation lodge license,  
25 destination resort license, or beverage dispensary tourism license to allow a person

26 (1) under 21 years of age access as provided in (e) of this section to the  
27 premises of a bona fide restaurant on the licensed premises; and

28 (2) to enter or remain on the licensed premises to consume food or  
29 nonalcoholic beverages as authorized under AS 04.16.010(c)(5).

30 (b) The biennial fee for a restaurant endorsement is \$200.

31 (c) An application for a restaurant endorsement must specify the establishment

1 or portion of the establishment that constitutes a bona fide restaurant.

2 (d) The board may issue an endorsement under this section only if the board  
3 finds

4 (1) that the establishment or portion of the establishment for which the  
5 endorsement is requested is a bona fide restaurant;

6 (2) there is supervision on the premises adequate to reasonably ensure  
7 that a person under 21 years of age will not obtain alcoholic beverages; and

8 (3) that it is unlikely that persons under 21 years of age not employed  
9 on the premises will enter and remain on the premises of the bona fide restaurant for  
10 purposes other than dining.

11 (e) The board may authorize the holder of a license with a restaurant  
12 endorsement

13 (1) to allow a person who is at least 16 years of age but under 21 years  
14 of age to enter and remain on the licensed premises for dining only;

15 (2) to allow a person who is under 16 years of age to enter and remain  
16 on the licensed premises for dining only if

17 (A) the person is accompanied by a person who is 21 years of  
18 age or older; and

19 (B) the parent or guardian of the person consents to the person  
20 being on the licensed premises; and

21 (3) subject to AS 04.16.049, to employ or permit the employment of a  
22 person who is at least 16 years of age but under 21 years of age on the premises of the  
23 bona fide restaurant if the employer provides adequate supervision to ensure that the  
24 person does not obtain alcoholic beverages.

25 (f) The holder of a license who engages in activity under this section without  
26 an endorsement under this section commits the offense of unendorsed restaurant  
27 service.

28 (g) The holder of a restaurant endorsement who engages in activity not  
29 authorized by the board under (e) of this section or fails to comply with the  
30 requirements of (e) of this section commits the offense of restaurant endorsement  
31 noncompliance.

1 (h) Unendorsed restaurant service is a violation and is punishable by a fine of  
2 \$500.

3 (i) Restaurant endorsement noncompliance is a violation.

4 **Sec. 04.09.460. Package store shipping endorsement.** (a) A package store  
5 shipping endorsement authorizes the holder of a package store license to sell alcoholic  
6 beverages to a person who makes an order to that licensee for shipment.

7 (b) The biennial fee for a package store shipping endorsement is \$200.

8 (c) An endorsement holder may ship alcoholic beverages only to the purchaser  
9 and may ship alcoholic beverages only in response to an order. The endorsement  
10 holder may not, in response to an order, ship alcohol to a purchaser at an address other  
11 than the address where the purchaser resides or, if the purchaser resides in a  
12 municipality or established village that has adopted a local option under  
13 AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2) for which a community delivery site has  
14 been designated under AS 04.11.491(f), to an address other than that community  
15 delivery site except as provided by AS 04.11.491(f)(1) and (2).

16 (d) An endorsement holder shall provide written or electronic information on  
17 fetal alcohol syndrome and fetal alcohol effects resulting from a woman's  
18 consumption of alcohol during pregnancy to the purchaser in response to an order.

19 (e) If a shipment is to an area that has restricted the sale of alcoholic beverages  
20 under AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2), an endorsement holder may not  
21 ship to a purchaser more than 10.5 liters of distilled spirits or 24 liters or more of wine,  
22 or either a half-barrel keg of brewed beverages or 12 gallons or more of brewed  
23 beverages in individual containers in a calendar month, or a lower amount of distilled  
24 spirits, wine, or brewed beverages if the municipality or established village has  
25 adopted the lower amount by local option under AS 04.11.491(g). Before shipping  
26 alcohol to a purchaser in a restricted area, an endorsement holder shall consult the  
27 database maintained by the board under AS 04.06.095 for any alcoholic beverage  
28 shipments made to the purchaser during that calendar month by a package store. An  
29 endorsement holder may not ship an amount of alcoholic beverages to a purchaser in a  
30 restricted area that, when added to the amount already shipped, exceeds the amount  
31 authorized by this subsection. An endorsement holder shall immediately enter into the

1 database the date and the amount of alcoholic beverages shipped to the purchaser.

2 (f) An endorsement holder may not divide or combine shipments of alcoholic  
3 beverages so as to circumvent the limitation imposed under (e) of this section.

4 (g) In this section, "endorsement holder" means the holder of a package store  
5 license with a package store shipping endorsement, and an agent or employee of the  
6 holder of a package store license with a package store shipping endorsement.

7 (h) The holder of a package store license who ships alcoholic beverages  
8 without an endorsement under this section commits the offense of unendorsed package  
9 store shipping.

10 (i) The holder of a package store shipping endorsement who fails to comply  
11 with the requirements of (c) - (f) of this section commits the offense of package store  
12 shipping endorsement noncompliance.

13 (j) Unendorsed package store shipping is a violation and is punishable by a  
14 fine of \$500.

15 (k) Package store shipping endorsement noncompliance is a violation.

16 **Sec. 04.09.470. Package store delivery endorsement.** (a) A package store  
17 delivery endorsement authorizes the holder of a package store license to deliver  
18 alcoholic beverages to the location of a social event as set out in this section. For  
19 purposes of this subsection, the board shall define by regulation the term "social  
20 event."

21 (b) The biennial fee for a package store delivery endorsement is \$200.

22 (c) The holder of a package store delivery endorsement may deliver alcoholic  
23 beverages only in response to an order. The board shall adopt regulations specifying  
24 the occasions for which delivery of alcoholic beverages is allowed and the manner of  
25 delivery by the licensee.

26 (d) The holder of a package store delivery endorsement may deliver alcoholic  
27 beverages only to a responsible adult at the delivery location specified on the order.  
28 The responsible adult shall provide identification and acceptable proof of age under  
29 AS 04.21.050 and acknowledge in writing receipt of the alcoholic beverages.

30 (e) The holder of a package store license who delivers alcoholic beverages  
31 without an endorsement under this section commits the offense of unendorsed package

1 store delivery.

2 (f) The holder of a package store delivery endorsement who fails to comply  
3 with the requirements of (c) and (d) of this section commits the offense of package  
4 store delivery endorsement noncompliance.

5 (g) Unendorsed package store delivery is a violation and is punishable by a  
6 fine of \$500.

7 (h) Package store delivery endorsement noncompliance is a violation.

8 **Sec. 04.09.480. Package store repackaging endorsement.** (a) A package  
9 store repackaging endorsement authorizes the holder of a package store license to  
10 subdivide and sell alcoholic beverages from original packages with federally  
11 compliant labels to smaller containers with the standard federal government warnings  
12 and the product name.

13 (b) The biennial fee for a package store repackaging endorsement is \$200.

14 (c) A package store licensee with a package store repackaging endorsement  
15 may

16 (1) subdivide alcoholic beverages

17 (A) for sale on the licensed premises by opening the original  
18 package for the purpose of subdividing the contents into smaller packages; or

19 (B) in response to a purchase request from a person who is on  
20 the licensed premises or purchase order submitted in accordance with  
21 AS 04.09.470(c);

22 (2) permit an agent or employee to subdivide alcoholic beverages, but  
23 may not permit a customer or another person who is not an agent or employee of the  
24 licensee to subdivide alcoholic beverages.

25 (d) The holder of a package store license who repackages alcoholic beverages  
26 without an endorsement under this section commits the offense of unendorsed package  
27 store repackaging.

28 (e) The holder of a package store repackaging endorsement who fails to  
29 comply with the requirements of this section commits the offense of package store  
30 repackaging endorsement noncompliance.

31 (f) Unendorsed package store repackaging is a violation and is punishable by a

1 fine of \$500.

2 (g) Package store repackaging endorsement noncompliance is a violation.

3 **Sec. 04.09.490. Package store sampling endorsement.** (a) A package store  
4 sampling endorsement authorizes the holder of a package store license to offer for  
5 consumption on the licensed premises at no charge a small sample of an alcoholic  
6 beverage from its inventory during the package store's stated hours of business, but not  
7 between the hours of midnight and 8:00 a.m.

8 (b) The biennial fee for a package store sampling endorsement is \$200.

9 (c) Only the license holder or an agent or employee of the license holder may  
10 serve a sample.

11 (d) The holder of a package store sampling endorsement may serve a total  
12 volume of samples to a person on a licensed premises each day that does not exceed

13 (1) 12 ounces of beer or mead, or cider, if the mead or cider contains  
14 less than 8.5 percent alcohol by volume;

15 (2) six ounces of wine, sake, or mead or cider, if the mead or cider  
16 contains 8.5 percent or more alcohol by volume;

17 (3) 1.5 ounces of distilled spirits; or

18 (4) the alcoholic equivalent of (1), (2), or (3) of this subsection.

19 (e) The holder of a package store sampling endorsement may not publicly  
20 advertise, including through newsprint, radio, or television, sampling activities  
21 conducted under the endorsement. However, the holder of a package store sampling  
22 endorsement may notify existing customers of sampling activities, including by  
23 electronic means.

24 (f) A person who offers a sample of an alcoholic beverage for consumption on  
25 the licensed premises of a package store without an endorsement under this section  
26 commits the offense of unendorsed package store sampling.

27 (g) Unendorsed package store sampling is a violation and is punishable by a  
28 fine of \$500.

29 (h) The holder of a package store sampling endorsement who fails to comply  
30 with the requirements of (a) and (c) - (e) of this section commits the offense of failure  
31 to comply with the terms of a package store sampling endorsement.

1 (i) Failure to comply with the terms of a package store sampling endorsement  
2 is a violation.

3 **Sec. 04.09.500. Bowling alley endorsement.** (a) A bowling alley endorsement  
4 authorizes the holder of a beverage dispensary license or a beverage dispensary  
5 tourism license to sell or serve alcoholic beverages in the concourse or lane areas of  
6 the bowling alley adjacent to the main bar area.

7 (b) The biennial fee for a bowling alley endorsement is \$200.

8 (c) The board may issue a bowling alley endorsement only if the concourse or  
9 lane areas of the bowling alley or both are

10 (1) designated as part of the licensed premises for the beverage  
11 dispensary license or a beverage dispensary tourism license; and

12 (2) adjacent to the main bar area.

13 (d) Notwithstanding AS 04.16.049, the board may, upon application, authorize  
14 access by persons under 21 years of age to the concourse or lane areas or both that are  
15 designated part of the licensed premises of the bowling alley during hours when no  
16 alcoholic beverages are being sold, served, or consumed.

17 (e) The periods during which persons under 21 years of age may be permitted  
18 access to the licensed premises must be clearly posted on the licensed premises.

19 (f) The holder of a beverage dispensary license or a beverage dispensary  
20 tourism license who sells or serves alcoholic beverages in the concourse or lane areas  
21 of a bowling alley without an endorsement under this section commits the offense of  
22 unendorsed bowling alley service.

23 (g) The holder of a bowling alley endorsement under this section who fails to  
24 comply with the requirements of (e) of this section or who permits access by a person  
25 under 21 years of age to the concourse or lane areas of the bowling alley during hours  
26 when alcoholic beverages are being served in the concourse or lane areas commits the  
27 offense of bowling alley endorsement noncompliance.

28 (h) Unendorsed bowling alley service is a violation and is punishable by a fine  
29 of \$500.

30 (i) Bowling alley endorsement noncompliance is a violation.

31 **Sec. 04.09.510. Golf course endorsement.** (a) A golf course endorsement

1 authorizes the owner of a golf course who has obtained a beverage dispensary license  
2 or a beverage dispensary tourism license to sell or serve alcoholic beverages on the  
3 golf course, driving range, club house and other buildings located on the course, and a  
4 vending cart carrying beverages or food to, from, or on the course, excluding the  
5 parking lot.

6 (b) The biennial fee for a golf course endorsement is \$200.

7 (c) An application for a golf course endorsement must include a drawing of  
8 the golf course with an annotated illustration and a description of the portions of the  
9 course that are licensed premises and that are intended to be covered by the  
10 endorsement.

11 (d) The holder of a beverage dispensary license or beverage dispensary  
12 tourism license who sells or serves alcoholic beverages on a golf course without an  
13 endorsement under this section commits the offense of unendorsed golf course service.

14 (e) The holder of a golf course endorsement who fails to comply with (a) of  
15 this section commits the offense of golf course endorsement noncompliance.

16 (f) Unendorsed golf course service is a violation and is punishable by a fine of  
17 \$500.

18 (g) Golf course endorsement noncompliance is a violation.

19 **Sec. 04.09.520. Brewery repackaging endorsement.** (a) A brewery  
20 repackaging endorsement authorizes the holder of a brewery manufacturer license who  
21 held a license to operate a brewpub under former AS 04.11.135 and was operating a  
22 brewpub on the day before the effective date of this section and who also holds,  
23 wholly or in part, a beverage dispensary license, beverage dispensary tourism license,  
24 restaurant or eating place license, or a seasonal restaurant or eating place tourism  
25 license to offer the holder's brewed beverages for sale for consumption off the licensed  
26 premises and to subdivide and sell the holder's brewed beverages from original  
27 packages with federally compliant labels to smaller containers with the standard  
28 federal government warnings and the product name.

29 (b) The biennial fee for a brewery repackaging endorsement is \$200.

30 (c) A brewery manufacturer licensee with a brewery repackaging endorsement

31 (1) is authorized to sell, each day to a person on the licensed premises

1 for consumption off the licensed premises, not more than 5.167 gallons of the holder's  
2 beer or sake;

3 (2) may permit an agent or employee to subdivide the holder's brewed  
4 beverages, but may not permit a customer or another person who is not an agent or  
5 employee of the licensee to subdivide the holder's brewed beverages.

6 (d) In this section, "licensed premises" means a premises licensed under a  
7 beverage dispensary license, beverage dispensary tourism license, restaurant or eating  
8 place license, or a seasonal restaurant or eating place tourism license that is controlled  
9 by a brewery manufacturer licensee.

10 (e) The holder of a brewery manufacturer license who repackages brewed  
11 beverages without an endorsement under this section or a brewery retail license under  
12 AS 04.09.320 commits the offense of unendorsed brewery repackaging.

13 (f) The holder of a brewery repackaging endorsement who fails to comply  
14 with the requirements of this section commits the offense of brewery repackaging  
15 endorsement noncompliance.

16 (g) Unendorsed brewery repackaging is a violation, punishable by a fine of  
17 \$500.

18 (h) Brewery repackaging endorsement noncompliance is a violation.

### 19 **Article 6. Permits.**

20 **Sec. 04.09.600. Types of permits.** (a) A permit allows catering and serving  
21 activities for a specific period on a single specified premises and allows an eligible  
22 nonprofit organization to host a fundraising or not-for-profit event.

23 (b) The director may issue only the permits authorized in AS 04.09.600 -  
24 04.09.690. An application for a permit must be received by the director not less than  
25 three business days before the first day of the event. Except for a conditional  
26 contractor's permit issued under AS 04.09.690, the director shall require every person  
27 who will serve or sell alcohol or check identification of a patron during a permitted  
28 event to complete an alcohol server education course under AS 04.21.025 before the  
29 first day of the permitted event.

30 (c) An applicant for a permit must follow the application requirements set out  
31 in AS 04.11.260.

1 (d) A permit, other than an inventory resale permit under AS 04.09.680 and a  
2 conditional contractor's permit under AS 04.09.690, is valid only on the premises, for  
3 the event, and for the period specified.

4 (e) The holder of an approved permit may submit a written request for  
5 amendment of the approved permit to change the event date, site, designated area, or  
6 designated time. The holder of the approved permit shall submit the request to the  
7 director not later than three business days before the event and shall include approval  
8 of the law enforcement agency having jurisdiction over the site of the event for which  
9 the amended permit is sought.

10 (f) The holder of an approved permit shall ensure that the individuals serving  
11 alcohol have completed alcohol server training as required under AS 04.21.025 before  
12 the first day of the permitted event.

13 (g) A permit may not be transferred to another person or another location and,  
14 except for a conditional contractor's permit under AS 04.09.690, may not be renewed.

15 (h) Except as otherwise provided in AS 04.09.680 for an inventory resale  
16 permit and AS 04.09.690 for a conditional contractor's permit, the fee for a permit  
17 shall be set by the board in regulation. The fee must be at least \$50 for each day of the  
18 event.

19 (i) The director shall approve or deny a permit application. If the director  
20 denies a permit application, the applicant may appeal to the board.

21 **Sec. 04.09.610. Beverage dispensary caterer's permit.** A beverage  
22 dispensary caterer's permit authorizes the holder of a beverage dispensary license or  
23 beverage dispensary tourism license to sell or dispense alcoholic beverages at  
24 conventions, picnics, sporting activities or events, concerts, street festivals, or similar  
25 affairs held off the holder's licensed premises for which a beverage dispensary license  
26 or beverage dispensary tourism license would not otherwise be required. The permit  
27 may be issued only for designated premises for a specific occasion and for a limited  
28 period.

29 **Sec. 04.09.620. Restaurant caterer's dining permit.** (a) A restaurant caterer's  
30 dining permit authorizes the holder of a restaurant or eating place license or a seasonal  
31 restaurant or eating place tourism license to sell brewed beverages and wine before

1 and during the service of food provided by the licensee at a single dining event held  
2 off the holder's licensed premises.

3 (b) The director may issue a restaurant caterer's dining permit only for  
4 designated premises, for a specific occasion, and for a limited period.

5 (c) The licensee shall provide food in conjunction with the service of brewed  
6 beverages and wine under a restaurant caterer's dining permit. The licensee shall  
7 comply with the requirements for gross receipts from food sales for a restaurant or  
8 eating place license under AS 04.09.210(e) or a seasonal restaurant or eating place  
9 tourism license under AS 04.09.360(g).

10 **Sec. 04.09.630. Club caterer's permit.** (a) A club caterer's permit authorizes  
11 the holder of a club license to sell or dispense alcoholic beverages at an event held off  
12 the club's licensed premises.

13 (b) The application for a club caterer's permit filed under AS 04.11.260 must  
14 be signed by two officers of the organization.

15 (c) A restriction or prohibition under AS 04.09.220 regarding a club member  
16 or a guest of a club member applies at the premises covered by the permit.

17 (d) The director may not issue more than three club caterer's permits to the  
18 holder of a club license in a calendar year.

19 **Sec. 04.09.640. Art exhibit event permit.** (a) An art exhibit event permit  
20 authorizes the holder of a beverage dispensary license, a beverage dispensary tourism  
21 license, a restaurant or eating place license, or a seasonal restaurant or eating place  
22 tourism license to sell and serve brewed beverages and wine for consumption at a  
23 specific art exhibit event.

24 (b) The director may issue an art exhibit event permit only for a specific art  
25 exhibit event at premises designated in the application for a limited period specified in  
26 the application.

27 (c) The director may not grant more than 12 art exhibit event permits to a  
28 licensee in a calendar year.

29 (d) An art exhibit event permit may not be exercised during an event that is  
30 expected to attract attendees under 21 years of age.

31 (e) Food must be provided in conjunction with the service of brewed

1 beverages and wine under an art exhibit event permit.

2 **Sec. 04.09.645. Music festival permit.** (a) A music festival permit authorizes  
3 the holder of a restaurant or eating place license to sell or dispense beer and wine for  
4 consumption at a festival with multiple live music performances held off the holder's  
5 licensed premises.

6 (b) The board may issue a music festival permit to the holder of a restaurant or  
7 eating place license only if the licensed premises of the restaurant or eating place is  
8 located in the unorganized borough.

9 (c) The board may issue a music festival permit only for

10 (1) a designated premises and for a limited period, not to exceed four  
11 calendar days;

12 (2) a music festival that has existed at the same location for a period of  
13 at least 10 years before the application for the permit is filed; and

14 (3) a music festival that is located in the unorganized borough.

15 (d) The board may not issue more than one music festival permit to the holder  
16 of a restaurant or eating place license in a calendar year.

17 **Sec. 04.09.650. Nonprofit organization event permit.** (a) A nonprofit  
18 organization event permit authorizes the holder to sell or dispense brewed beverages  
19 or wine for consumption at an event organized by the nonprofit organization.

20 (b) Only a nonprofit organization, such as a fraternal, civic, professional, or  
21 patriotic organization, that is incorporated under AS 10.20 and has been active for a  
22 period of at least two years before filing an application is eligible for a nonprofit  
23 organization event permit.

24 (c) The application for a nonprofit organization event permit filed under  
25 AS 04.11.260 must be signed by two officers of the organization. The nonprofit  
26 organization shall submit, together with the application,

27 (1) either a signed copy of a resolution adopted by the board of  
28 directors or a copy of the minutes from a board meeting of the nonprofit organization  
29 authorizing the application; and

30 (2) a sworn affidavit showing the length of time the organization has  
31 been in existence.

1 (d) The director may not issue more than 10 nonprofit organization event  
2 permits to a nonprofit organization, including an auxiliary of the organization, in a  
3 calendar year. A nonprofit organization event permit may be issued only for  
4 designated premises for a specific occasion and for a limited period as specified in the  
5 application.

6 (e) The nonprofit organization shall ensure that all profits derived from the  
7 sale of brewed beverages or wine under a nonprofit organization event permit are paid  
8 to the organization that holds the permit and not to an individual.

9 **Sec. 04.09.660. Alcoholic beverage auction permit.** (a) An alcoholic  
10 beverage auction permit authorizes the holder to sell alcoholic beverages by outcry or  
11 silent auction. An alcoholic beverage auction permit is sufficient to authorize a  
12 nonprofit organization under (b) of this section to sell alcoholic beverages by outcry or  
13 silent auction, and no other permit or license is required. An alcoholic beverage  
14 auction permit may be operated on the licensed premises of a beverage dispensary  
15 license, beverage dispensary tourism license, club license, restaurant or eating place  
16 license, or seasonal restaurant or eating place license.

17 (b) Only a nonprofit organization, such as a fraternal, civic, professional, or  
18 patriotic organization, that is incorporated under AS 10.20 and has been active for a  
19 period of at least two years before filing an application is eligible for an alcoholic  
20 beverage auction permit.

21 (c) The application for an alcoholic beverage auction permit filed under  
22 AS 04.11.260 must be signed by two officers of the organization. The nonprofit  
23 organization shall submit, together with the application,

24 (1) either a signed copy of a resolution adopted by the board of  
25 directors or a copy of the minutes of a board meeting of the nonprofit organization  
26 authorizing the application; and

27 (2) a sworn affidavit showing the length of time the organization has  
28 been in existence.

29 (d) The director may not issue more than five alcoholic beverage auction  
30 permits to a nonprofit organization, including an auxiliary of the organization, in a  
31 calendar year. The director may issue a permit only for designated premises for a

1 specific event and for a limited period as specified in the application.

2 (e) The nonprofit organization shall ensure that all profits derived from the  
3 sale of brewed beverages or wine under an alcoholic beverage auction permit are paid  
4 to the organization that holds the permit and not to an individual.

5 (f) The nonprofit organization may not permit consumption at the auction site  
6 of the alcoholic beverages being auctioned under a nonprofit organization alcoholic  
7 beverage auction permit.

8 **Sec. 04.09.670. Package store tasting event permit.** (a) A package store  
9 tasting event permit authorizes the holder of a package store license to sell or dispense  
10 alcoholic beverages at a tasting event held on the licensed premises, or unlicensed  
11 areas of the property where the package store is located, excluding the parking lot.

12 (b) A tasting event must be for the purpose of promoting products available  
13 for purchase from the package store licensee; only products sold by the package store  
14 licensee may be sold or dispensed at the event.

15 (c) The director may issue a package store tasting event permit only for a  
16 specific tasting event at premises designated in the application for a limited period  
17 specified in the application.

18 (d) The director may not issue more than six package store tasting event  
19 permits in a calendar year to a package store licensee. If a person holds two or more  
20 package store licenses, then the director shall treat each license as separate and distinct  
21 when applying the limitation under this subsection, regardless of how many other  
22 licenses the person holds, wholly or in part.

23 (e) The director may not issue a package store tasting event permit for a period  
24 that

25 (1) is longer than four hours;

26 (2) ends later than 9:00 p.m.

27 (f) Food must be provided in conjunction with the service of alcoholic  
28 beverages under a package store tasting event permit.

29 **Sec. 04.09.680. Inventory resale permit.** (a) An inventory resale permit  
30 authorizes the holder to sell the remaining inventory of alcoholic beverages of a  
31 business when the owner of the business no longer has a valid license under this title.

1 (b) The fee for an inventory resale permit is \$100.

2 (c) The holder of an inventory resale permit may sell the remaining alcoholic  
3 beverage inventory only to the holder of a valid license under this chapter.

4 (d) The director may issue an inventory resale permit for a period ending 90  
5 days after the date of expiration or forfeiture of the license. The director may not issue  
6 a permit if the license was suspended or revoked.

7 **Sec. 04.09.685. Live music or entertainment permit.** (a) A live music or  
8 entertainment permit authorizes the holder of a brewery retail license, winery retail  
9 license, or distillery retail license to allow live music or other entertainment on the  
10 licensed premises where consumption occurs.

11 (b) The director may not issue more than four live music or entertainment  
12 permits to a licensee in a calendar year. The director may issue a live music or  
13 entertainment permit only for designated premises for a specific occasion and for a  
14 limited period during a single day between the hours of 9:00 a.m. and 10:00 p.m., as  
15 specified in the application.

16 **Sec. 04.09.690. Conditional contractor's permit.** (a) A conditional  
17 contractor's permit authorizes the holder to sell brewed beverages or wine for  
18 consumption only on designated premises for the designated period of the permit  
19 under AS 04.11.680 at construction sites that are located outside a city and inside the  
20 boundaries of a military or naval reservation.

21 (b) The biennial conditional contractor's permit fee is \$1,250.

22 (c) An applicant for a conditional contractor's permit must obtain and file with  
23 the board written permission from the commanding officer of the military or naval  
24 reservation and the prime contractor of the remotely situated project for the conduct of  
25 the activities authorized by the permit. A conditional contractor's permit may be  
26 renewed biennially upon reapplication for a permit and may be revoked or suspended  
27 at the discretion of the commanding officer or the prime contractor.

28 (d) A conditional contractor's permit may not be transferred and is not valid  
29 after the completion of the holder's contract or the closing of the military or naval  
30 reservation.

31 **Sec. 04.09.700. Failure to comply with a permit requirement.** (a) A person

1 who engages in activity that requires a permit under AS 04.09.600 - 04.09.690 without  
 2 having a permit and a person who violates the terms of a permit issued under  
 3 AS 04.09.600 - 04.09.690 commits the offense of failure to comply with a permit  
 4 requirement.

5 (b) Except as provided in (c) of this section, failure to comply with a permit  
 6 requirement is a violation.

7 (c) Failure to comply with a permit requirement of an inventory resale permit  
 8 under AS 04.09.680 or a conditional contractor's permit under AS 04.09.690 is a  
 9 violation punishable by a fine of \$500.

### 10 **Article 7. Common Carrier Approval.**

11 **Sec. 04.09.750. Common carrier approval.** (a) A common carrier may not  
 12 transport or deliver alcoholic beverages to a person in the state unless the board has  
 13 approved the common carrier under (b) of this section.

14 (b) A common carrier may apply to the board, on a form prescribed by the  
 15 board, for approval to transport and deliver alcoholic beverages to persons in the state.  
 16 The board shall approve an application if the common carrier certifies that it will meet  
 17 the requirements under (c) and (d) of this section.

18 (c) A common carrier delivering alcoholic beverages to a person in the state  
 19 shall ensure that the package containing alcoholic beverages is delivered directly to a  
 20 person who

21 (1) presents identification and acceptable proof of age under  
 22 AS 04.21.050 showing that the person is 21 years of age or older; and

23 (2) provides a signature acknowledging that the person received the  
 24 package.

25 (d) A common carrier approved by the board under (b) of this section shall  
 26 make records of shipments of alcoholic beverages to persons in the state available for  
 27 inspection and audit by the board. The board may require periodic reporting of  
 28 approved common carriers on a form prescribed by the board.

29 (e) The board shall maintain, periodically review, and make available for  
 30 public inspection a list of approved common carriers for transport and delivery of  
 31 alcoholic beverages to persons in the state.

1 (f) The board may remove a previously approved common carrier from the list  
 2 if the common carrier transports or delivers alcoholic beverages in violation of (c) or  
 3 (d) of this section.

4 (g) In this section,

5 (1) "common carrier" means a motor vehicle, watercraft, aircraft, or  
 6 railroad car available for public hire to transport freight or passengers;

7 (2) "transport" has the meaning given in AS 04.11.499.

8 (h) A common carrier that has not been approved by the board to transport and  
 9 deliver alcoholic beverages and that transports or delivers alcoholic beverages into or  
 10 within the state commits the offense of unapproved common carrier transport or  
 11 delivery of alcoholic beverages.

12 (i) An approved common carrier that violates a provision under (c) or (d) of  
 13 this section commits the offense of common carrier noncompliance for transport or  
 14 delivery of alcoholic beverages.

15 (j) Unapproved common carrier transport or delivery of alcoholic beverages is  
 16 a violation and is punishable by a fine of \$500.

17 (k) Common carrier noncompliance for transport or delivery of alcoholic  
 18 beverages is a violation.

#### 19 **Article 8. Prohibited Acts.**

20 **Sec. 04.09.850. Unlicensed retail sale.** (a) A person commits the crime of  
 21 unlicensed retail sale if the person knowingly operates without the appropriate license  
 22 a retail operation that requires a license under this chapter.

23 (b) Unlicensed retail sale is a class A misdemeanor.

24 \* **Sec. 14.** AS 04.11.010(a) is amended to read:

25 (a) Except as provided in AS 04.11.020, a person may not knowingly

26 **(1)** [MANUFACTURE, SELL, OFFER FOR SALE,] possess for  
 27 [SALE OR] barter, traffic in, or barter an alcoholic beverage unless under license or  
 28 permit issued under this title; **or**

29 **(2) manufacture an alcoholic beverage, sell an alcoholic beverage,**  
 30 **offer an alcoholic beverage for sale, or possess an alcoholic beverage for sale in an**  
 31 **area that has adopted a local option under AS 04.11.491 unless under license or**

1           **permit issued under this title.**

2           \* **Sec. 15.** AS 04.11.010(b) is amended to read:

3                   (b) Except as provided in this subsection, a person may not solicit or receive  
4 orders for the delivery of an alcoholic beverage in an area that has adopted a local  
5 option under AS 04.11.491. If the area has adopted a local option under  
6 AS 04.11.491(a)(1), (2), or (3) [,] or (b)(1) or (2), a package store licensee outside of  
7 that local option area may receive orders as provided under **a package store shipping**  
8 **endorsement under AS 04.09.460** [AS 04.11.150] but may not solicit in that area or  
9 receive orders through an agent or employee in that area. This subsection does not  
10 apply to a package store licensee who operates a package store in an area that has  
11 adopted a local option under AS 04.11.491(a)(2)(C) or (3)(C) or (b)(2)(C). A person  
12 who violates this subsection is punishable upon conviction as provided under  
13 AS 04.16.200(a) or (b).

14           \* **Sec. 16.** AS 04.11.010(c) is amended to read:

15                   (c) Unless a municipality or established village has adopted a more restrictive  
16 local option under AS 04.11.491(g), in a criminal prosecution for possession of  
17 alcoholic beverages for **barter or** sale in violation of (a) of this section, **AS 04.09.060,**  
18 **04.09.140, or 04.09.850,** the fact that a person

19                           (1) possessed more than 10 1/2 liters of distilled spirits or 24 liters or  
20 more of wine, or either a **half-barrel keg** [HALF-KEG] of **brewed** [MALT]  
21 beverages or 12 gallons or more of **brewed** [MALT] beverages in individual  
22 containers in an area where the sale of alcoholic beverages is restricted or prohibited  
23 under AS 04.11.491 creates a presumption that the person possessed the alcoholic  
24 beverages for **barter or** sale;

25                           (2) sends, transports, or brings more than 10 1/2 liters of distilled  
26 spirits or 24 liters or more of wine, or either a **half-barrel keg** [HALF-KEG] of  
27 **brewed** [MALT] beverages or 12 gallons or more of **brewed** [MALT] beverages in  
28 individual containers to an area where the sale of alcoholic beverages is restricted or  
29 prohibited under AS 04.11.491 creates a presumption that the person sent, transported,  
30 or brought the alcoholic beverages for **barter or** sale in the area.

31           \* **Sec. 17.** AS 04.11.015 is amended to read:

1           **Sec. 04.11.015. Purchase from nonlicensee prohibited.** (a) A person may not  
 2 purchase or barter for alcoholic beverages from a person who is not a licensee,  
 3 permittee, or an agent or employee of a licensee or permittee.

4           (b) A person who violates **(a) of** this section is guilty of a violation.

5 \* **Sec. 18.** AS 04.11.030(b) is amended to read:

6           (b) If an application for the transfer of ownership of a license from a deceased  
 7 licensee is not made within **180** [90] days of the death of the licensee or within an  
 8 additional 90 days if an application for transfer of ownership made by the executor is  
 9 denied, or no petition is made to the board for an extension of time under (c) of this  
 10 section within the time, the license is forfeited.

11 \* **Sec. 19.** AS 04.11.040 is amended by adding new subsections to read:

12           (d) A person who transfers a license or permit or a controlling interest in a  
 13 license or permit in violation of this section commits the offense of unauthorized  
 14 transfer of an alcoholic beverage license or permit.

15           (e) Unauthorized transfer of an alcoholic beverage license or permit is a  
 16 violation.

17 \* **Sec. 20.** AS 04.11.045 is amended by adding new subsections to read:

18           (c) A limited liability organization that fails to report as required under (a) of  
 19 this section commits the offense of failure to report a change in member interest or  
 20 manager.

21           (d) Failure to report a change in member interest or manager is a violation.

22 \* **Sec. 21.** AS 04.11.050 is amended by adding new subsections to read:

23           (d) A corporation that fails to report as required under (a) of this section, other  
 24 than a corporation described in (c) of this section, commits the offense of failure to  
 25 report a stock transfer or change of officers or board members.

26           (e) Failure to report a stock transfer or change of officers or board members is  
 27 a violation.

28 \* **Sec. 22.** AS 04.11.055 is amended by adding new subsections to read:

29           (c) A partnership that fails to report as required under (a) of this section  
 30 commits the offense of failure to report a transfer of partnership interest or change of  
 31 general partner.

1 (d) Failure to report a transfer of partnership interest or change of general  
2 partner is a violation.

3 \* **Sec. 23.** AS 04.11.060 is amended to read:

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

7 (1) obtaining a general wholesale license under **AS 04.09.100**  
8 [AS 04.11.160(a)] for each wholesale distributing point in the state;

9 (2) appointing an agent upon whom process can be served; and

10 (3) obtaining other applicable licenses under the provisions of this title.

11 \* **Sec. 24.** AS 04.11.060 is amended by adding a new subsection to read:

12 (b) A person who violates (a) of this section is guilty of a class A  
13 misdemeanor.

14 \* **Sec. 25.** AS 04.11.260 is amended to read:

15 **Sec. 04.11.260. Application for new license, endorsement, or permit.** (a) An  
16 applicant for a new license, endorsement, or permit shall file with the director a  
17 written application, signed and sworn to by the applicant, giving the applicant's name,  
18 mailing address, telephone number, and electronic mail address. If the applicant is  
19 a corporation, the application shall be executed by an [THE] authorized officer  
20 [OFFICERS] of the corporation. If the applicant is a partnership, including a limited  
21 partnership, the application shall be executed by an authorized general partner. The  
22 application must include

23 (1) the type of license, endorsement, or permit desired;

24 (2) a description of the premises for which the license, endorsement,  
25 or permit is desired, giving the address by street and number, or other information, so  
26 that the location of the premises can be definitely determined;

27 (3) an annotated illustration of the premises designating the areas  
28 for manufacture, storage, service, and consumption of alcoholic beverages and,  
29 for a license application, the area for warehousing of the alcoholic beverages;

30 (4) the license, endorsement, or permit fee, and, for a multiple fixed  
31 counter endorsement, the application fee for each counter;

1           **(5)** [(4)] the duration of the license, **endorsement**, or permit desired,  
 2 **including, for a permit, a statement of the event dates and the specific hours of**  
 3 **intended operation**;

4           **(6)** [(5)] any other information required by the board.

5           (b) A corporation applying for a license or **conditional contractor's** permit  
 6 **under AS 04.09.690** shall provide the names and addresses of the president, vice-  
 7 president, secretary, managing officer, and all stockholders who own 10 percent or  
 8 more of the stock in the corporation, together with any other information required by  
 9 the board.

10           (c) An applicant for a new license or permit must include with the application

11                   (1) proof that notice required by AS 04.11.310, **if any**, has been given;

12                   (2) any petitions required to be secured under AS 04.11.460 before a  
 13 license may be issued;

14                   (3) evidence of any approval by public authorities required to be  
 15 obtained [UNDER AS 04.11.090(e), 04.11.220(c), 04.11.230(b), 04.11.240(b), OR  
 16 04.11.250(b),] before a license or permit may be issued, **including**

17                           **(A) written approval under AS 04.09.240 from the**  
 18 **governing body of a college or university for a pub license;**

19                           **(B) approval under AS 04.11.365 for a restaurant or eating**  
 20 **place license in a multi-unit residential housing development owned or**  
 21 **financed by the Alaska Housing Finance Corporation;**

22                           **(C) permission from the commanding officer and the prime**  
 23 **contractor for a conditional contractor's permit under AS 04.09.690;**

24                           **(D) for a permit other than a conditional contractor's**  
 25 **permit, approval of the law enforcement agency having jurisdiction over**  
 26 **the site of the event for which the permit is sought.**

27           (d) A partnership, including a limited partnership, that applies for a license or  
 28 **conditional contractor's** permit **under AS 04.09.690** shall provide information  
 29 required by the board including the names and addresses of all general partners and all  
 30 partners with an interest of 10 percent or more.

31           (e) A limited liability organization that applies for a license or **conditional**

1 **contractor's** permit **under AS 04.09.690** shall provide information required by the  
 2 board, including the names and addresses of all members with an ownership interest of  
 3 10 percent or more and the names and addresses of all managers.

4 \* **Sec. 26.** AS 04.11.260 is amended by adding a new subsection to read:

5 (f) This section does not apply to a winery direct shipment license issued  
 6 under AS 04.09.370.

7 \* **Sec. 27.** AS 04.11.270 is amended to read:

8 **Sec. 04.11.270. Application for renewal of license, license with one or more**  
 9 **endorsements, or conditional contractor's permit.** (a) An application for renewal of  
 10 a license, **license with one or more endorsements,** or [RENEWAL OF A]  
 11 conditional contractor's permit **under AS 04.09.690** must include

12 (1) the information required for a new license, **endorsement,** or permit  
 13 under AS 04.11.260 except that proof of notice under AS 04.11.310 is not required;  
 14 and

15 (2) a list of all convictions of the applicant of violations of this title, a  
 16 regulation adopted under this title, or an ordinance adopted under AS 04.21.010, that  
 17 occurred in the preceding two calendar years.

18 (b) A license, **license with one or more endorsements, or permit** shall be  
 19 renewed as follows:

20 (1) on or before November 1, the director shall mail a renewal  
 21 application to each licensee whose license, **license with one or more endorsements,**  
 22 **or permit,** unless renewed, will expire on December 31 of that year; the application  
 23 shall be mailed to the licensee **or permittee** [AT THE LICENSED PREMISES OR] at  
 24 a mailing address **or electronic mail address** furnished by the licensee **or permittee;**

25 (2) the licensee **or permittee** shall submit the completed renewal  
 26 application and the biennial [LICENSE] fee to the director before January 1;

27 (3) a renewal application filed after December 31 is delinquent and  
 28 must be accompanied by a \$500 penalty fee;

29 (4) if December 31 falls on a weekend or a state holiday, the deadline  
 30 is extended to the first business day following December 31.

31 \* **Sec. 28.** AS 04.11.270 is amended by adding a new subsection to read:

1 (c) This section does not apply to a winery direct shipment license issued  
2 under AS 04.09.370.

3 \* **Sec. 29.** AS 04.11.280 is amended to read:

4 **Sec. 04.11.280. Application for transfer of a license to another person. (a)**

5 An application for transfer of a license or a license with one or more endorsements  
6 to another person must contain the same information about the transferee as is required  
7 of an applicant for a new license or endorsement under AS 04.11.260 and must  
8 include other information required by the board.

9 (b) An application for the transfer of a license or a license with one or more  
10 endorsements to another person must be accompanied by a statement, under oath,  
11 executed by the transferor, listing all debts of the business and all taxes due by the  
12 business. The board shall promptly inform each listed creditor of the application and  
13 the amount shown as owed to that creditor.

14 \* **Sec. 30.** AS 04.11.280 is amended by adding new subsections to read:

15 (c) A license is automatically transferred as requested in an application for  
16 transfer of the license to another person if

17 (1) the board does not approve or deny the completed application  
18 within 90 days after receiving the application;

19 (2) the application is for transfer of a

20 (A) restaurant or eating place license under AS 04.09.210;

21 (B) seasonal restaurant or eating place tourism license under  
22 AS 04.09.360;

23 (C) restaurant or eating place license under AS 04.09.210 with  
24 one or more endorsements; or

25 (D) seasonal restaurant or eating place tourism license under  
26 AS 04.09.360 with one or more endorsements; and

27 (3) the applicant for transfer of a license has not previously had a  
28 license or permit suspended or revoked under AS 04.11.370.

29 (d) The board may suspend or revoke a license that was automatically  
30 transferred to another person under (c) of this section if, after receiving criminal  
31 justice information and records obtained under AS 04.11.295, the board determines

1 that the licensee does not meet the qualifications for transfer of a license to another  
2 person under this title.

3 \* **Sec. 31.** AS 04.11.295(a) is amended to read:

4 (a) An applicant for the issuance or transfer of a license or **issuance of** a  
5 conditional contractor's permit under this title shall submit to the board, with the  
6 application, the applicant's fingerprints and the fees required by the Department of  
7 Public Safety under AS 12.62.160 for criminal justice information and a national  
8 criminal history record check. Except as provided under (b) of this section, the board  
9 may require an applicant for renewal of a license or a conditional contractor's permit  
10 under this title to submit fingerprints and pay the required fees. The board shall submit  
11 the fingerprints to the Department of Public Safety to obtain a report of criminal  
12 justice information under AS 12.62 and a national criminal history record check under  
13 AS 12.62.400. The Department of Public Safety may submit the fingerprints to the  
14 Federal Bureau of Investigation for a national criminal history record check. The  
15 board shall use the information obtained under this section in its determination of an  
16 applicant's qualification for issuance, transfer, or renewal of a license or **issuance or**  
17 **renewal of** a conditional contractor's permit.

18 \* **Sec. 32.** AS 04.11.295(c)(1) is amended to read:

19 (1) "applicant" means all individuals whose names and addresses are  
20 required to be provided with an application for a new license or **conditional**  
21 **contractor's** permit under **AS 04.09.690** [AS 04.11.260];

22 \* **Sec. 33.** AS 04.11.310 is amended by adding a new subsection to read:

23 (c) This section does not apply to a winery direct shipment license issued  
24 under AS 04.09.370.

25 \* **Sec. 34.** AS 04.11 is amended by adding a new section to article 3 to read:

26 **Sec. 04.11.315. False statement on application.** A person who knowingly  
27 makes a false sworn statement that the person does not believe to be true on an  
28 application under AS 04.11.260 - 04.11.310 commits the crime of perjury under  
29 AS 11.56.200.

30 \* **Sec. 35.** AS 04.11.320(a) is amended to read:

31 (a) An application requesting issuance of a new license **or endorsement** shall

1 be denied if

2 (1) the board finds, after review of all relevant information, that  
3 issuance of the license **or endorsement** would not be in the best interests of the  
4 public;

5 (2) issuance of the license is prohibited by AS 04.11.410, relating to  
6 location of premises near churches and schools;

7 (3) the application has not been completed in accordance with  
8 AS 04.11.260;

9 (4) issuance of the license **or endorsement** would violate the  
10 restrictions pertaining to the particular license **or endorsement** imposed under this  
11 title;

12 (5) issuance of the license is prohibited under this title as a result of an  
13 election conducted under AS 04.11.507;

14 (6) the requirements of AS 04.11.420 - 04.11.450 relating to zoning,  
15 ownership and location of the license, **and the identity and financing of a licensee**  
16 **have not been met or the requirements of AS 04.11.430(b) relating to location of**  
17 **the endorsement** [, AND THE IDENTITY AND FINANCING OF A LICENSEE]  
18 have not been met;

19 (7) issuance of the license is prohibited under AS 04.11.400(a) or  
20 prohibition of issuance of the license is found necessary under AS 04.11.400(b);

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

22 (9) the license is sought for the sale of alcoholic beverages in a first or  
23 second class city where there are no licensed premises at the time of application unless  
24 a majority of the voters have voted not to approve a local option to restrict or prohibit  
25 the sale of alcoholic beverages under AS 04.11.491, have voted to approve a local  
26 option to allow the type of premises under AS 04.11.491(a)(2) or (3), or have voted to  
27 remove a restriction or prohibition on the sale of alcoholic beverages under  
28 AS 04.11.495; or

29 (10) the license is sought for the sale of alcoholic beverages in an  
30 established village where there are no licensed premises at the time of application  
31 unless a majority of the voters have voted not to approve a local option to restrict or

1 prohibit the sale of alcoholic beverages under AS 04.11.491, have voted to approve a  
 2 local option to allow the type of premises under AS 04.11.491(b)(2), or have voted to  
 3 remove a restriction or prohibition on the sale of alcoholic beverages under  
 4 AS 04.11.495.

5 \* **Sec. 36.** AS 04.11.330(a) is amended to read:

6 (a) An application requesting renewal of a license shall be denied if

7 (1) the board finds, after review of all relevant information, that  
 8 renewal of the license would not be in the best interests of the public;

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

10 (3) the applicant has not operated the licensed premises for at least 240  
 11 hours during each of the two preceding calendar years, unless the board determines  
 12 that the licensed premises are under construction or cannot be operated through no  
 13 fault of the applicant;

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

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

18 (6) renewal of the license would violate the restrictions pertaining to  
 19 the particular license under this title or the license has been operated in violation of a  
 20 condition or restriction imposed by the board;

21 (7) renewal of the license is prohibited under this title as a result of an  
 22 election conducted under AS 04.11.507; **or**

23 (8) the application has not been completed in accordance with  
 24 AS 04.11.270 [; OR

25 (9) THE LICENSE WAS ISSUED UNDER AS 04.11.400(g), AND  
 26 THE BOARD FINDS THAT THE PUBLIC CONVENIENCE DOES NOT  
 27 REQUIRE RENEWAL].

28 \* **Sec. 37.** AS 04.11.330(a), as amended by sec. 36 of this Act, is amended to read:

29 (a) An application requesting renewal of a license **or endorsement** shall be  
 30 denied if

31 (1) the board finds, after review of all relevant information, that

1 renewal of the license **or endorsement** would not be in the best interests of the public;

2 (2) the license **or endorsement** has been revoked for any cause;

3 (3) the applicant has not operated the licensed premises for at least 240  
4 hours during each of the two preceding calendar years, unless the board determines  
5 that the licensed premises are under construction or cannot be operated through no  
6 fault of the applicant;

7 (4) the board finds that issuance of an existing **beverage dispensary**  
8 **tourism** license under **AS 04.09.350 or seasonal restaurant or eating place tourism**  
9 **license under AS 04.09.360** [AS 04.11.400(d)] has not encouraged tourist trade;

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

12 (6) renewal of the license **or endorsement** would violate the  
13 restrictions pertaining to the particular license **or endorsement** under this title or the  
14 license **or endorsement** has been operated in violation of a condition or restriction  
15 imposed by the board;

16 (7) renewal of the license is prohibited under this title as a result of an  
17 election conducted under AS 04.11.507; or

18 (8) the application has not been completed in accordance with  
19 **AS 04.09.370 or** AS 04.11.270.

20 \* **Sec. 38.** AS 04.11.330(b) is amended to read:

21 (b) An application for renewal of a license may be denied if the applicant is  
22 delinquent in the payment of taxes, **fees, or penalties due to the state or a local**  
23 **government** if the tax liability **or fees or penalties assessed arise** [ARISES] in whole  
24 or in part out of the licensed business.

25 \* **Sec. 39.** AS 04.11.330(d) is amended to read:

26 (d) Notwithstanding (a)(3) of this section, a **theater license issued under**  
27 **AS 04.09.250, a common carrier dispensary license issued under AS 04.09.260, or**  
28 **a sporting activity or event** [RECREATIONAL SITE] license issued under  
29 **AS 04.09.270** [AS 04.11.210] may be renewed if the license was exercised at least  
30 once during each of the two preceding calendar years.

31 \* **Sec. 40.** AS 04.11.330 is amended by adding a new subsection to read:

1 (e) The requirements of (a)(3), (a)(5), and (a)(7) of this section do not apply to  
2 a winery direct shipment license issued under AS 04.09.370.

3 \* **Sec. 41.** AS 04.11.340 is amended to read:

4 **Sec. 04.11.340. Denial of request for relocation.** An application requesting  
5 approval for the relocation of licensed premises shall be denied if

6 (1) the board finds, after review of all relevant information, that  
7 relocation of the license would not be in the best interests of the public;

8 (2) the relocation is prohibited under AS 04.11.400(a) or (b);

9 (3) the license would be relocated out of the established village,  
10 incorporated city, unified municipality, or population area established under  
11 AS 04.11.400(a) within which it is located;

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

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

17 (6) relocation of the license would result in violation of a local zoning  
18 **regulation or ordinance** [LAW];

19 (7) relocation of the license would violate the restrictions pertaining to  
20 the particular license imposed by this title;

21 (8) relocation of the license is prohibited under this title as a result of  
22 an election conducted under AS 04.11.507; or

23 (9) the license was issued under AS 04.11.400(d) [, (e), OR (g)].

24 \* **Sec. 42.** AS 04.11.340, as amended by sec. 41 of this Act, is amended to read:

25 **Sec. 04.11.340. Denial of request for relocation.** An application requesting  
26 approval for the relocation of licensed premises shall be denied if

27 (1) the board finds, after review of all relevant information, that  
28 relocation of the license would not be in the best interests of the public;

29 (2) the relocation is prohibited under AS 04.11.400(a) or (b);

30 (3) the license would be relocated out of the established village,  
31 incorporated city, unified municipality, or population area established under

1 AS 04.11.400(a) within which it is located except as provided under  
 2 AS 04.11.400(k);

3 (4) transfer of ownership is to be made concurrently with the  
 4 relocation of the licensed premises and a ground for denial of the transfer of  
 5 ownership under AS 04.11.360 is presented;

6 (5) the application has not been completed in accordance with  
 7 AS 04.11.290;

8 (6) relocation of the license would result in violation of a local zoning  
 9 regulation or ordinance;

10 (7) relocation of the license would violate the restrictions pertaining to  
 11 the particular license imposed by this title; or

12 (8) relocation of the license is prohibited under this title as a result of  
 13 an election conducted under AS 04.11.507 [; OR

14 (9) THE LICENSE WAS ISSUED UNDER AS 04.11.400(d)].

15 \* **Sec. 43.** AS 04.11.360 is amended to read:

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

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

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

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

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

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

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

1 the earlier transfer of the license;

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

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

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

8 (8) the prospective transferee does not have the qualifications required  
9 under this title of an original applicant; however, an application may not be denied  
10 because a prospective transferee under AS 04.11.400(d)(2) does not have the  
11 qualifications required under AS 04.11.400(d)(1);

12 (9) the license was issued under AS 04.11.100(f) [OR 04.11.400(g)];  
13 however, this paragraph does not apply to a beverage dispensary license issued before  
14 June 6, 1985, under former AS 04.11.400(j) if the transfer does not involve a change  
15 in location; or

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

19 \* **Sec. 44.** AS 04.11.360, as amended by sec. 43 of this Act, is amended to read:

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

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

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

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

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

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

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

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

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

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

12 (8) the prospective transferee does not have the qualifications required  
 13 under this title of an original applicant; however, an application may not be denied  
 14 because a prospective transferee under AS 04.09.350(c)(2) [AS 04.11.400(d)(2)] does  
 15 not have the qualifications required under AS 04.09.350(c)(1) [AS 04.11.400(d)(1);

16 (9) THE LICENSE WAS ISSUED UNDER AS 04.11.100(f);  
 17 HOWEVER, THIS PARAGRAPH DOES NOT APPLY TO A BEVERAGE  
 18 DISPENSARY LICENSE ISSUED BEFORE JUNE 6, 1985, UNDER FORMER  
 19 AS 04.11.400(j) IF THE TRANSFER DOES NOT INVOLVE A CHANGE IN  
 20 LOCATION; OR

21 (10) THE LICENSE WAS ISSUED UNDER AS 04.11.135, UNLESS  
 22 THE TRANSFEROR IS ALSO APPLYING TO TRANSFER THE BEVERAGE  
 23 DISPENSARY LICENSE REQUIRED UNDER AS 04.11.135 TO THE SAME  
 24 TRANSFEREE].

25 \* **Sec. 45.** AS 04.11.365 is amended to read:

26 **Sec. 04.11.365. Licensed premises in multi-unit residential housing**  
 27 **developments owned or financed by the Alaska Housing Finance Corporation.**  
 28 For premises located in a multi-unit residential housing development owned or  
 29 financed by the Alaska Housing Finance Corporation, the board may issue a new  
 30 license under AS 04.11.320, renew a license under AS 04.11.330, or approve a request  
 31 for relocation under AS 04.11.340 if the Alaska Housing Finance Corporation

1 authorizes the use under AS 18.56.230 and

2 (1) the license is [FOR] a

3 (A) restaurant or eating place license under AS 04.09.210  
4 [AS 04.11.100]; or

5 (B) seasonal restaurant or eating place tourism license  
6 under AS 04.09.360; or

7 (2) the premises are covered by a restaurant endorsement  
8 [DESIGNATED BY THE BOARD AS A RESTAURANT] under AS 04.09.450  
9 [AS 04.16.049].

10 \* **Sec. 46.** AS 04.11.370(a) is amended to read:

11 (a) A license, endorsement, or permit shall be suspended or revoked if the  
12 board finds

13 (1) misrepresentation of a material fact on an application made under  
14 this title or a regulation adopted under this title;

15 (2) continuation of the manufacture, sale, or service of alcoholic  
16 beverages by the licensee or permittee would be contrary to the best interests of the  
17 public;

18 (3) failure on the part of the licensee to correct a defect that constitutes  
19 a violation of this title, a condition or restriction imposed by the board, a regulation  
20 adopted under this title, or other laws after receipt of notice issued by the board or its  
21 agent;

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

24 (5) conviction of an agent or employee of a licensee of a violation of  
25 this title, a regulation adopted under this title, or an ordinance adopted under  
26 AS 04.21.010, if the licensee is found by the board to have either knowingly allowed  
27 the violation or to have recklessly or with criminal negligence failed to act in  
28 accordance with the duty prescribed under AS 04.21.030 with the result that the agent  
29 or employee violates a law, regulation, or ordinance;

30 (6) failure of the licensee to comply with the public health, fire, or  
31 safety laws and regulations in the state;

1 (7) use of the licensed premises as a resort for illegal possessors or  
 2 users of narcotics, prostitutes, or sex traffickers; in addition to any other legally  
 3 competent evidence, the character of the premises may be proved by the general  
 4 reputation of the premises in the community as a resort for illegal possessors or users  
 5 of narcotics, prostitutes, or sex traffickers;

6 (8) occurrence of illegal gambling within the limits of the licensed  
 7 premises;

8 (9) the licensee permitted a public offense involving moral turpitude to  
 9 occur on the licensed premises;

10 (10) violation by a licensee of this title, a condition or restriction  
 11 imposed by the board, a regulation adopted under this title, or an ordinance adopted  
 12 under AS 04.21.010; or

13 (11) violation by an agent or employee of a licensee of a provision of  
 14 this title, a condition or restriction imposed by the board, a regulation adopted under  
 15 this title, or an ordinance adopted under AS 04.21.010, if the licensee is found by the  
 16 board to have either knowingly allowed the violation or to have recklessly or with  
 17 criminal negligence failed to act in accordance with the duty prescribed under  
 18 AS 04.21.030 with the result that the agent or employee violates the law, condition or  
 19 restriction, regulation, or ordinance.

20 \* **Sec. 47.** AS 04.11.395 is amended to read:

21 **Sec. 04.11.395. Conditions [BOARD IMPOSED CONDITIONS] or**  
 22 **restrictions imposed on a license, endorsement, or permit.** The board may, in the  
 23 best interests of the public, impose conditions or restrictions on a license,  
 24 **endorsement,** or permit issued under this chapter.

25 \* **Sec. 48.** AS 04.11.395 is amended by adding a new subsection to read:

26 (b) Except for a conditional contractor's permit issued under AS 04.09.690,  
 27 the board may delegate to the director the authority to impose, in the best interests of  
 28 the public, conditions or restrictions on a permit issued under this chapter.

29 \* **Sec. 49.** AS 04.11.400(a) is amended to read:

30 (a) Except as provided in **(d), (f), and (h) - (k)** [(d) - (k)] of this section **and**  
 31 **AS 04.11.405,** a new license may not be issued and the board may prohibit relocation

1 of an existing license

2 (1) outside an established village, incorporated city, unified  
3 municipality, or organized borough if, after the issuance or relocation, there would be  
4 (A) more than one restaurant or eating place license for each 1,500 population or  
5 fraction of that population, or (B) more than one license of each other type, including  
6 licenses that have been issued under (d) [OR (e)] of this section, for each 3,000  
7 population or fraction of that population, in a radius of five miles of the licensed  
8 premises, excluding the populations of established villages, incorporated cities, unified  
9 municipalities, and organized boroughs that are wholly or partly included within the  
10 radius;

11 (2) inside an established village, incorporated city, or unified  
12 municipality if, after the issuance or relocation, there would be inside the established  
13 village, incorporated city, or unified municipality

14 (A) more than one restaurant or eating place license for each  
15 1,500 population or fraction of that population; or

16 (B) more than one license of each other type, including licenses  
17 that have been issued under (d) [OR (e)] of this section, for each 3,000  
18 population or fraction of that population;

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

23 (A) more than one restaurant or eating place license for each  
24 1,500 population or fraction of that population; or

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

31 \* **Sec. 50.** AS 04.11.400(a), as amended by sec. 49 of this Act, is amended to read:

1 (a) Except as provided in **(f), (i), and (k)** [(d), (f), and (h) - (k)] of this section  
 2 and AS 04.11.405, a new license may not be issued and the board may prohibit  
 3 relocation of an existing license

4 (1) outside an established village, incorporated city, unified  
 5 municipality, or organized borough if, after the issuance or relocation, **in a radius of**  
 6 **five miles of the licensed premises, excluding the populations of established**  
 7 **villages, incorporated cities, unified municipalities, and organized boroughs that**  
 8 **are wholly or partly included within the radius,** there would be

9 (A) more than one restaurant or eating place license for each  
 10 1,500 population or fraction of that population; [, OR]

11 (B) **more than one brewery retail, one winery retail, and**  
 12 **one distillery retail license for each 12,000 population or fraction of that**  
 13 **population; or**

14 (C) more than one license of each other type, **except a type**  
 15 **listed in (i) of this section** [INCLUDING LICENSES THAT HAVE BEEN  
 16 ISSUED UNDER (d) OF THIS SECTION], for each 3,000 population or  
 17 fraction of that population [, IN A RADIUS OF FIVE MILES OF THE  
 18 LICENSED PREMISES, EXCLUDING THE POPULATIONS OF  
 19 ESTABLISHED VILLAGES, INCORPORATED CITIES, UNIFIED  
 20 MUNICIPALITIES, AND ORGANIZED BOROUGHS THAT ARE  
 21 WHOLLY OR PARTLY INCLUDED WITHIN THE RADIUS];

22 (2) inside an established village, incorporated city, or unified  
 23 municipality if, after the issuance or relocation, there would be inside the established  
 24 village, incorporated city, or unified municipality

25 (A) more than one restaurant or eating place license for each  
 26 1,500 population or fraction of that population; [OR]

27 (B) **more than one brewery retail, one winery retail, and**  
 28 **one distillery retail license for each 12,000 population or fraction of that**  
 29 **population; or**

30 (C) more than one license of each other type, **except a type**  
 31 **listed in (i) of this section** [INCLUDING LICENSES THAT HAVE BEEN

1 ISSUED UNDER (d) OF THIS SECTION], for each 3,000 population or  
2 fraction of that population;

3 (3) inside an organized borough but outside an established village or  
4 incorporated city located within the borough if, after the issuance or relocation, there  
5 would be inside the borough, but outside the established villages and incorporated  
6 cities located within the borough, **excluding the population of those established**  
7 **villages that have adopted a local option under AS 04.11.491(b)(1) or (3), and**  
8 **excluding the population of incorporated cities located within the organized**  
9 **borough;**

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

12 (B) **more than one brewery retail, one winery retail, and**  
13 **one distillery retail license for each 12,000 population or fraction of that**  
14 **population; or**

15 (C) more than one license of each other type, **except a type**  
16 **listed in (i) of this section** [INCLUDING LICENSES THAT HAVE BEEN  
17 ISSUED UNDER (d) OF THIS SECTION], for each 3,000 population or  
18 fraction of that population [EXCLUDING THE POPULATION OF THOSE  
19 ESTABLISHED VILLAGES THAT HAVE ADOPTED A LOCAL OPTION  
20 UNDER AS 04.11.491(b)(1), (3), OR (4), AND EXCLUDING THE  
21 POPULATION OF INCORPORATED CITIES LOCATED WITHIN THE  
22 ORGANIZED BOROUGH].

23 \* **Sec. 51.** AS 04.11.400(i) is repealed and reenacted to read:

24 (i) This section does not apply to a

25 (1) brewery manufacturer license issued under AS 04.09.020;

26 (2) winery manufacturer license issued under AS 04.09.030;

27 (3) distillery manufacturer license issued under AS 04.09.040;

28 (4) general wholesale license issued under AS 04.09.100;

29 (5) limited wholesale brewed beverage and wine license under  
30 AS 04.09.110;

31 (6) outdoor recreation lodge license issued under AS 04.09.280;

- 1 (7) destination resort license issued under AS 04.09.310;  
 2 (8) beverage dispensary tourism license issued under AS 04.09.350;  
 3 (9) seasonal restaurant or eating place tourism license issued under  
 4 AS 04.09.360;  
 5 (10) winery direct shipment license issued under AS 04.09.370;  
 6 (11) conditional contractor's permit issued under AS 04.09.690.

7 \* **Sec. 52.** AS 04.11.400(k) is amended to read:

8 (k) The board may allow the relocation of an existing beverage dispensary  
 9 license under **AS 04.09.200 or former** AS 04.11.090 to a restaurant, eating place, or  
 10 hotel, motel, resort, or similar business that contains a restaurant or eating place, **or of**  
 11 **an existing package store license under AS 04.09.230 or former AS 04.11.150,** in a  
 12 borough with a population of **50,000** [60,000] or more [IF THE GOVERNING BODY  
 13 OF THE BOROUGH APPROVES THE RELOCATION. HOWEVER, IF THE  
 14 RELOCATION OF THE LICENSE IS] into or within an incorporated city in the  
 15 borough. **The** [, THE] board may not approve the relocation unless, **at the time of**  
 16 **application, the existing number of issued licenses of the type under consideration**  
 17 **for relocation located within the borough exceeds the maximum allowed under**  
 18 **(a) of this section, and** the governing bodies of both the borough and the incorporated  
 19 city approve the relocation. The board may allow not more than three relocations **into**  
 20 **each city** [IN A BOROUGH] under this subsection each decade. In this subsection,  
 21 "decade" means each 10-year period beginning April 1 in a year ending in zero.

22 \* **Sec. 53.** AS 04.11 is amended by adding a new section to read:

23 **Sec. 04.11.405. Petition for additional licenses for certain local governing**  
 24 **bodies.** (a) A municipality may submit a resolution to the board, adopted by its  
 25 legislative body, petitioning the board for the issuance of additional licenses under this  
 26 chapter that exceed the limits under AS 04.11.400(a) in accordance with this section.

27 (b) The board, following a public hearing, may issue one or more additional  
 28 licenses of each type under this chapter, within the boundaries of the municipality, if  
 29 the board finds that

- 30 (1) the municipality  
 31 (A) exercises planning or land-use authority; and

1 (B) at the time of the petition, meets or exceeds the maximum  
 2 limit under AS 04.11.400(a) for each type of license requested in the petition;  
 3 and

4 (2) the number of additional licenses does not exceed the number of  
 5 additional licenses requested by the municipality in the petition.

6 (c) A resolution submitted by a municipality under (a) of this section must  
 7 include

8 (1) information demonstrating that the petitioner meets the criteria in  
 9 (b) of this section; and

10 (2) the number of existing licenses of each type requested in the  
 11 petition within the boundaries of the municipality.

12 \* **Sec. 54.** AS 04.11.405(a), enacted by sec. 53 of this Act, is amended to read:

13 (a) A municipality may submit a resolution to the board, adopted by its  
 14 legislative body, petitioning the board for the issuance of additional licenses under  
 15 **AS 04.09** [THIS CHAPTER] that exceed the limits under AS 04.11.400(a) in  
 16 accordance with this section.

17 \* **Sec. 55.** AS 04.11.405(b), enacted by sec. 53 of this Act, is amended to read:

18 (b) The board, following a public hearing, may issue one or more additional  
 19 licenses of each type under **AS 04.09** [THIS CHAPTER], within the boundaries of the  
 20 municipality, if the board finds that

21 (1) the municipality

22 (A) exercises planning or land-use authority; and

23 (B) at the time of the petition, meets or exceeds the maximum  
 24 limit under AS 04.11.400(a) for each type of license requested in the petition;  
 25 and

26 (2) the number of additional licenses does not exceed the number of  
 27 additional licenses requested by the municipality in the petition.

28 \* **Sec. 56.** AS 04.11.420(a) is amended to read:

29 (a) A person may not be issued a **new** license, **endorsement**, or permit **or**  
 30 **transfer a license or a license with endorsement to a new location** in a municipality  
 31 if a zoning regulation or ordinance prohibits the **land use** [SALE OR

1 CONSUMPTION OF ALCOHOLIC BEVERAGES] unless a variance of the  
2 regulation or ordinance has been approved.

3 \* **Sec. 57.** AS 04.11.420 is amended by adding a new subsection to read:

4 (c) Notwithstanding (a) of this section, a license may be renewed if

5 (1) the license was issued before the effective date of a change to a  
6 local zoning regulation or ordinance that would prohibit the renewal; and

7 (2) at the time the license was issued, the license conformed with local  
8 zoning regulations and ordinances.

9 \* **Sec. 58.** AS 04.11.430 is amended to read:

10 **Sec. 04.11.430. Person and location.** (a) Each license shall be issued to a  
11 specific individual or individuals, to a partnership, including a limited partnership, to a  
12 limited liability organization, [OR] to a corporation, to a government entity, or to a  
13 tribal organization. If the license is issued to a corporation or a limited liability  
14 organization, the registered agent of the corporation or limited liability organization  
15 may [MUST] be either an individual resident of the state or a domestic corporation  
16 authorized to transact business in this state whose business office is the same as  
17 the registered office.

18 (b) Except for a license authorizing the sale of alcoholic beverages on a  
19 common carrier, a specific location shall be indicated on the license, endorsement, or  
20 permit as the licensed premises, the principal address of which shall be indicated on  
21 the license, endorsement, or permit. The mailing address, telephone number, and  
22 electronic mailing address of a licensee or, if the licensee is a corporation, the  
23 address, telephone number, and electronic mailing address of the registered office  
24 of the corporation must be kept current and on file in the main office of the board.

25 \* **Sec. 59.** AS 04.11.450(b) is amended to read:

26 (b) A person who is a representative or owner of a wholesale business  
27 licensed under AS 04.09.100 or 04.09.110 [, BREWERY, WINERY, BOTTLING  
28 WORKS, OR DISTILLERY] may not be issued, solely or together with others, a  
29 manufacturer license issued under AS 04.09.020 - 04.09.040, or a retail license  
30 issued under AS 04.09.200 - 04.09.370 [BEVERAGE DISPENSARY LICENSE, A  
31 RESTAURANT OR EATING PLACE LICENSE, OR PACKAGE STORE

1 LICENSE. A HOLDER OF A BEVERAGE DISPENSARY LICENSE MAY BE  
 2 ISSUED A BREWPUB LICENSE, SUBJECT TO THE PROVISIONS OF  
 3 AS 04.11.135. THE PROHIBITION AGAINST ISSUANCE OF A RESTAURANT  
 4 OR EATING PLACE LICENSE IMPOSED UNDER THIS SUBSECTION DOES  
 5 NOT APPLY TO A RESTAURANT OR EATING PLACE LICENSE ISSUED ON  
 6 OR BEFORE OCTOBER 1, 1996 OR A RESTAURANT OR EATING PLACE  
 7 LICENSE ISSUED UNDER AN APPLICATION FOR A RESTAURANT OR  
 8 EATING PLACE LICENSE APPROVED ON OR BEFORE OCTOBER 1, 1996].

9 \* **Sec. 60.** AS 04.11.450(e) is amended to read:

10 (e) A holder of either a general wholesale license or a **limited** wholesale  
 11 **brewed** [MALT] beverage and wine license may not be employed by or act as the  
 12 agent or employee of the holder of a **manufacturer** [BEVERAGE DISPENSARY OR  
 13 PACKAGE STORE] license **under AS 04.09.020 - 04.09.040 or a retail license**  
 14 **under AS 04.09.200 - 04.09.370.**

15 \* **Sec. 61.** AS 04.11.450 is amended by adding new subsections to read:

16 (g) The holder of a manufacturer license that annually produces in total  
 17 300,000 barrels or more of brewed beverages or mead or cider containing less than 8.5  
 18 percent alcohol by volume, 50,000 nine-liter-equivalent cases or more of wine, sake,  
 19 or mead or cider containing 8.5 percent or more alcohol by volume, or 50,000 nine-  
 20 liter-equivalent cases or more of distilled spirits may not be issued, solely or together  
 21 with others, a license under AS 04.09.100 - 04.09.370.

22 (h) For purposes of calculating the volume that the holder of a manufacturer  
 23 license produces under this section, the volume of production must include all  
 24 production by

25 (1) the holder of the manufacturer's license; and

26 (2) an officer, director, agent, employee, or affiliate of the holder; in  
 27 this paragraph, "affiliate" means a person that directly or indirectly, through one or  
 28 more intermediaries, controls, or is controlled by, or is under common control with, a  
 29 corporation.

30 \* **Sec. 62.** AS 04.11.460 is amended by adding a new subsection to read:

31 (d) This section does not apply to a winery direct shipment license issued

1 under AS 04.09.370.

2 \* **Sec. 63.** AS 04.11.470 is amended to read:

3 **Sec. 04.11.470. Objection.** A person may object to an application for issuance,  
 4 renewal, transfer of location, or transfer to another person of a license, **for issuance,**  
 5 **renewal, or transfer to another person of a license with one or more**  
 6 **endorsements, for issuance of an endorsement** or for issuance of a permit, by  
 7 serving upon the applicant and the board the reasons for the objection. The board shall  
 8 consider the objections and testimony received at a hearing conducted under  
 9 AS 04.11.510(b)(2) when it considers the application. An objection and the record of a  
 10 hearing conducted under AS 04.11.510(b)(2) shall be retained as part of the board's  
 11 permanent record of its review of the application.

12 \* **Sec. 64.** AS 04.11.480(a) is amended to read:

13 (a) A local governing body may protest the issuance, renewal, relocation, or  
 14 transfer to another person of a license, **issuance, renewal, or transfer to another**  
 15 **person of a license with one or more endorsements, or issuance of an**  
 16 **endorsement** by sending the board and the applicant a protest and the reasons for the  
 17 protest within 60 days of **the date** [RECEIPT FROM THE BOARD] of **the** notice of  
 18 filing of the application. A protest received after the 60-day period may not be  
 19 accepted by the board, and in no event may a protest cause the board to reconsider an  
 20 approved renewal, relocation, or transfer. The local governing body may protest the  
 21 continued operation of a license **or endorsement** during the second year of the  
 22 biennial license period by sending the board and the licensee a protest and the reasons  
 23 for the protest by January 31 of the second year of the license. The procedures for  
 24 action on a protest of continued operation of a license **or endorsement** are the same as  
 25 the procedures for action on a protest of a renewal application. The board shall  
 26 consider a protest and testimony received at a hearing conducted under  
 27 AS 04.11.510(b)(2) or (4) when it considers the application or continued operation,  
 28 and the protest and the record of the hearing conducted under AS 04.11.510(b)(2) or  
 29 (4) shall be kept as part of the board's permanent record of its review. If an application  
 30 or continued operation is protested, the board shall deny the application or continued  
 31 operation unless the board finds that the protest is arbitrary, capricious, **or** [AND]

1 unreasonable.

2 \* **Sec. 65.** AS 04.11.480(b) is amended to read:

3 (b) If the permanent residents residing outside of but within two miles of an  
4 incorporated city or an established village wish to protest the issuance, renewal, or  
5 transfer of a license **or a license with one or more endorsements** within the city or  
6 village, they shall file with the board a petition meeting the requirements of  
7 AS 04.11.510(b)(3) requesting a public hearing **not later than** [WITHIN] 30 days  
8 **after** [OF] the posting of notice required under AS 04.11.310, or by December 31 of  
9 the year application is made for renewal of a license. The board shall consider  
10 testimony received at a hearing conducted under AS 04.11.510(b)(3) when it considers  
11 the application, and the record of a hearing conducted under AS 04.11.510(b)(3) shall  
12 be retained as part of the board's permanent record of its review of the application.

13 \* **Sec. 66.** AS 04.11.480(c) is amended to read:

14 (c) A local governing body may recommend that a license be issued, renewed,  
15 relocated, or transferred, **or that a license with one or more endorsements be**  
16 **issued, renewed, or transferred to another person,** with conditions. The board shall  
17 consider recommended conditions and testimony received at a hearing conducted  
18 under AS 04.11.510(b)(2) or (4) when it considers the application or continued  
19 operation, and the recommended conditions and the record of the hearing conducted  
20 under AS 04.11.510(b)(2) or (4) shall be kept as part of the board's permanent record  
21 of its review. If the local governing body recommends conditions, the board shall  
22 impose the recommended conditions unless the board finds that the recommended  
23 conditions are arbitrary, capricious, or unreasonable. If a condition recommended by a  
24 local governing body is imposed on a licensee, the local governing body shall assume  
25 responsibility for monitoring compliance with the condition, except as otherwise  
26 provided by the board.

27 \* **Sec. 67.** AS 04.11.480 is amended by adding a new subsection to read:

28 (e) If the location or proposed location of a license is within the boundaries of  
29 more than one local government, each local governing body may protest the issuance,  
30 renewal, relocation, or transfer of a license.

31 \* **Sec. 68.** AS 04.11.491(a) is amended to read:

1 (a) If a majority of the persons voting on the question vote to approve the  
2 option, a municipality shall adopt a local option to prohibit

3 (1) the sale of alcoholic beverages;

4 (2) the sale of alcoholic beverages except by one or more of the  
5 following listed on the ballot:

6 (A) a restaurant or eating place licensee;

7 (B) a beverage dispensary licensee;

8 (C) a package store licensee;

9 (D) a caterer holding a **beverage dispensary caterer's** permit  
10 under **AS 04.09.610** [AS 04.11.230] to sell alcoholic beverages at a site within  
11 the municipality who is also licensed under a beverage dispensary license for  
12 premises outside of the municipality;

13 (E) a winery **manufacturer** licensee;

14 (F) a winery **manufacturer** licensee, except that sales may  
15 occur only to a person licensed under this title or in another state or country; or

16 (G) an outdoor recreation lodge licensee;

17 (3) the sale of alcoholic beverages except on premises operated by the  
18 municipality and under a type of licensed premises listed on the ballot, that may  
19 include one or more of the following:

20 (A) a restaurant or eating place license;

21 (B) a beverage dispensary license; or

22 (C) a package store license;

23 (4) the sale and importation of alcoholic beverages; or

24 (5) the sale, importation, and possession of alcoholic beverages.

25 \* **Sec. 69.** AS 04.11.491(b) is amended to read:

26 (b) If a majority of the persons voting on the question vote to approve the  
27 option, an established village shall exercise a local option to prohibit

28 (1) the sale of alcoholic beverages;

29 (2) the sale of alcoholic beverages except by one or more of the  
30 following listed on the ballot:

31 (A) a restaurant or eating place licensee;

1 (B) a beverage dispensary licensee;

2 (C) a package store licensee;

3 (D) a caterer holding a **beverage dispensary caterer's** permit  
4 under **AS 04.09.610** [AS 04.11.230] to sell alcoholic beverages at a site within  
5 the established village who is also licensed under a beverage dispensary license  
6 for premises outside of the established village;

7 (E) a winery **manufacturer** licensee;

8 (F) a winery **manufacturer** licensee, except that sales may  
9 occur only to a person licensed under this title or in another state or country; or

10 (G) an outdoor recreation lodge licensee;

11 (3) the sale and importation of alcoholic beverages; or

12 (4) the sale, importation, and possession of alcoholic beverages.

13 \* **Sec. 70.** AS 04.11.491(d) is amended to read:

14 (d) The ballot for an election on the option set out in (a)(2)(A), (a)(3)(A), or  
15 (b)(2)(A) of this section must include a summary explanation of the authority to sell  
16 alcoholic beverages given to a restaurant or eating place under **AS 04.09.210(a)**  
17 [AS 04.11.100(a)]. The ballot for an election on the option set out in (a)(2)(B) or (D),  
18 (a)(3)(B), or (b)(2)(B) or (D) of this section must include a statement that a beverage  
19 dispensary license is commonly known as a "bar" and a summary explanation of the  
20 authority to sell alcoholic beverages given to a beverage dispensary licensee under  
21 **AS 04.09.200** [AS 04.11.090(a)]. The ballot for an election on the option set out in  
22 (a)(2)(C), (a)(3)(C), or (b)(2)(C) of this section must include a statement that a  
23 package store license is commonly known as a "liquor store" and a summary  
24 explanation of the authority to sell alcoholic beverages given to a package store  
25 licensee under **AS 04.09.230** [AS 04.11.150(a)].

26 \* **Sec. 71.** AS 04.11.491(g) is amended to read:

27 (g) If a municipality or established village has adopted a local option under  
28 (a)(1), (2), (3), or (4), or (b)(1), (2), or (3) of this section, the municipality or  
29 established village, as part of the local option question or questions placed before the  
30 voters, may

31 (1) adopt an amount of alcoholic beverages that may be imported that

1 is less than the amounts set out in AS 04.09.460(e) [AS 04.11.150(g)];

2 (2) adopt an amount of alcoholic beverages that would give rise to a  
3 presumption that the person possessed the alcoholic beverages for sale; the amounts  
4 adopted under this paragraph may be lower than those set out in AS 04.11.010(c);

5 (3) opt to not apply a class C felony to violations of AS 04.16.051 that  
6 apply solely by reason of the municipality or established village adopting a local  
7 option under this section.

8 \* **Sec. 72.** AS 04.11.510(b) is amended to read:

9 (b) The board may review an application for the issuance, renewal, transfer of  
10 location, or transfer to another person of a license without affording the applicant  
11 notice or hearing, except

12 (1) if an application is denied, written [THE] notice of denial shall be  
13 furnished immediately to the applicant [IMMEDIATELY IN WRITING] stating the  
14 reason for the denial in clear and concise language; the notice of denial must inform  
15 the applicant that the applicant is entitled to submit a request to the director, within  
16 15 days after receiving the notice of denial, for an informal conference with either  
17 the director or the board, and that, if not satisfied by the informal conference, the  
18 applicant is then entitled to a formal hearing conducted by the office of administrative  
19 hearings (AS 44.64.010); the director shall respond to a request for an informal  
20 conference or a formal hearing in a timely manner and shall hold an informal  
21 conference within 15 days after receiving a request for an informal conference  
22 unless the applicant and the director agree in writing to waive or extend the time  
23 limit; if the applicant requests an informal conference, the running of the period  
24 for requesting a formal hearing is tolled from the date the director receives the  
25 request for the conference until the day after the date of the conference; if the  
26 applicant requests a formal hearing, the office of administrative hearings shall adhere  
27 to AS 44.62.330 - 44.62.630 (Administrative Procedure Act); all interested persons  
28 may be heard at the hearing [AND UNLESS WAIVED BY THE APPLICANT AND  
29 THE BOARD, THE FORMAL HEARING SHALL BE HELD IN THE AREA FOR  
30 WHICH THE APPLICATION IS REQUESTED];

31 (2) the board may, on its own initiative or in response to an objection

1 or protest, hold a hearing to ascertain the reaction of the public or a local governing  
 2 body to an application if a hearing is not required under this subsection; the board  
 3 shall send notice of a hearing conducted under this paragraph 20 days in advance of  
 4 the hearing to the person who filed the objection or protest, to a [EACH]  
 5 community council, if the licensed premises or proposed licensed premises  
 6 described in the application is located within the boundaries of the community  
 7 council, [ESTABLISHED WITHIN THE MUNICIPALITY] and to each nonprofit  
 8 community organization entitled to notification under AS 04.11.310(b);

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

14 (4) if a protest to the issuance, renewal, transfer of location or transfer  
 15 to another person of a license made by a local governing body is based on a question  
 16 of law, the board shall hold a public hearing.

17 \* **Sec. 73.** AS 04.11.510(c) is amended to read:

18 (c) Unless the grounds for the suspension or revocation are under  
 19 AS 04.11.370(a)(4), board proceedings to suspend or revoke a license shall be  
 20 conducted in accordance with AS 44.62.360 - 44.62.630 [AS 44.62.330 - 44.62.630]  
 21 (Administrative Procedure Act), except that the licensee may submit a request to the  
 22 director within 15 days after the accusation is served on the licensee for [IS  
 23 ENTITLED TO] an opportunity to informally confer with the director or the board  
 24 [WITHIN 10 DAYS AFTER THE ACCUSATION IS SERVED UPON THE  
 25 LICENSEE]. Notice of the opportunity for an informal conference shall be served on  
 26 [UPON] the licensee along with the accusation. The director shall respond to a  
 27 request for an informal conference or a formal hearing in a timely manner. The  
 28 director shall hold an informal conference within 15 days after receiving a  
 29 request for an informal conference unless the applicant and the director agree in  
 30 writing to waive or extend the time limit. After the informal conference, the  
 31 board shall hold a formal hearing on the accusation at the next regularly

1 **scheduled board meeting that occurs 20 days or more after service of the**  
 2 **accusation** [IF AN INFORMAL CONFERENCE IS REQUESTED, THE RUNNING  
 3 OF THE PERIOD OF TIME SPECIFIED IN AS 44.62.380 FOR FILING A NOTICE  
 4 OF DEFENSE IS TOLLED FROM THE DATE OF RECEIPT OF THE REQUEST  
 5 FOR THE CONFERENCE UNTIL THE DAY FOLLOWING THE DATE OF THE  
 6 CONFERENCE UNLESS EXTENDED BY THE BOARD. AFTER THE  
 7 CONFERENCE, THE LICENSEE, IF NOT SATISFIED BY THE RESULTS OF  
 8 THE CONFERENCE, MAY OBTAIN A HEARING BY FILING A NOTICE OF  
 9 DEFENSE AS PROVIDED IN AS 44.62.390]. If the grounds for suspension or  
 10 revocation are under AS 04.11.370(a)(4), the licensee is not entitled to notice and  
 11 hearing under **AS 44.62.360 - 44.62.630** [AS 44.62.330 - 44.62.630] on the merits of  
 12 the suspension or revocation. However, the board shall afford the licensee notice and  
 13 hearing on the issue of what administrative sanction to impose under AS 04.16.180.

14 \* **Sec. 74.** AS 04.11.520 is amended to read:

15 **Sec. 04.11.520. Notice to local governing body.** After receipt of an  
 16 application **for the issuance or renewal of a license, the renewal of a license with**  
 17 **one or more endorsements, the transfer of a license or a license with one or more**  
 18 **endorsements to another person, transfer of a license to a new location, or the**  
 19 **issuance of an endorsement** from within [(1)] an established village, [(2)] an  
 20 incorporated city, [(3)] an organized borough, or [(4)] a unified municipality, the  
 21 board shall **notify** [TRANSMIT WRITTEN NOTICE TO] the local governing body **in**  
 22 **writing** within 10 **business** days so that the local governing body may protest under  
 23 AS 04.11.480.

24 \* **Sec. 75.** AS 04.11.535(a) is amended to read:

25 (a) If, in a proceeding to suspend or revoke a license, **endorsement, or permit**  
 26 under AS 04.11.370(a)(5), the board finds that a sentencing report, **record of**  
 27 **conviction, or judgment** sent to the board under AS 12.55.025(b) or a report prepared  
 28 by the investigating or arresting officers in connection with the violation, contains  
 29 information that if uncontradicted or unexplained would provide a ground for  
 30 suspension or revocation under AS 04.11.370(a)(5), the licensee **or permittee** has the  
 31 burden of proof to establish that the licensee **or permittee** neither knowingly allowed

1 the violation nor recklessly or with criminal negligence failed to act in accordance  
2 with the duty prescribed under AS 04.21.030.

3 \* **Sec. 76.** AS 04.11.540 is amended to read:

4 **Sec. 04.11.540. License, endorsement, and conditional contractor's permit**  
5 **renewal and expiration.** Notwithstanding AS 04.11.680, an application for renewal  
6 of a license, endorsement, or a conditional contractor's permit under  
7 **AS 04.09.690** issued for the two calendar years ending December 31 or of a seasonal  
8 license issued for parts of those calendar years may be submitted up until the next  
9 February 28. If a complete application for renewal has not been filed by February 28  
10 or the required fees and the penalty fees have not been paid by that date, the license,  
11 endorsement, or conditional contractor's permit expires at 12:00 midnight  
12 February 28. A new license may not be issued to the holder of an expired license for  
13 the same premises except on proof satisfactory to the board of good cause for the  
14 failure to file and pay.

15 \* **Sec. 77.** AS 04.11.560(b) is amended to read:

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

19 \* **Sec. 78.** AS 04.11.570 is amended to read:

20 **Sec. 04.11.570. Refund and forfeiture of fees.** (a) If an application for a  
21 license or endorsement is denied, the board shall refund the license fee but not  
22 [LESS] the application fee.

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

26 (c) If a license, endorsement, or permit is revoked on grounds that  
27 statements made in the application are untrue, the [LICENSE] fee paid by the  
28 applicant is forfeited to the state.

29 \* **Sec. 79.** AS 04.11.580(b) is amended to read:

30 (b) The licensee shall surrender a current license to the board not later than  
31 [WITHIN] 10 days after the loss or vacation of the licensed premises.

1 \* **Sec. 80.** AS 04.11.590(a) is amended to read:

2 (a) Money collected from licenses, endorsements, permits, and civil fines  
3 under this title shall be transferred by the board to the Department of Commerce,  
4 Community, and Economic Development and deposited in the general fund.

5 \* **Sec. 81.** AS 04.11.610 is amended to read:

6 **Sec. 04.11.610. Allocation [REFUND] to municipalities.** (a) An amount  
7 equal to the sum of the biennial [BIENNIAL] license fees, excluding annual  
8 wholesale fees and biennial wholesale license fees, collected within a municipality  
9 shall be allocated [REFUNDED] semi-annually to the municipality.

10 (b) If the officers of a municipality fail to actively enforce local ordinances,  
11 this title, laws of the United States and the state, and the regulations relating to the  
12 manufacture and sale of alcoholic beverages in the state, or fail to provide the  
13 director with a report of contacts with licensed establishments, educational  
14 activities concerning this title and local ordinances, and violations of this title  
15 occurring in the municipality, at the time and in the format as may be required  
16 by regulation adopted by the board, the commissioner of commerce, community,  
17 and economic development may deny the allocation [REFUND] provided for under  
18 (a) of this section until the board finds the enforcement of the ordinances, laws, and  
19 regulations is resumed or the report is provided.

20 (c) The Department of Commerce, Community, and Economic Development  
21 shall recover any funds [AMOUNTS] erroneously allocated [REFUNDED] under (a)  
22 of this section. The Department of Commerce, Community, and Economic  
23 Development shall schedule repayments of erroneously allocated funds  
24 [REFUNDED AMOUNTS] over a sufficient period of time to minimize financial  
25 hardship to the municipality involved.

26 \* **Sec. 82.** AS 04.11.630(b) is amended to read:

27 (b) A license, endorsement, or permit issued under this title shall be posted  
28 within the licensed premises or designated premises so as to be easily available for  
29 inspection upon request by a peace officer or other person during regular business  
30 hours or during the period specified on the permit.

31 \* **Sec. 83.** AS 04.11.680 is amended to read:

1           **Sec. 04.11.680. Duration of licenses, endorsements, and permits.** (a) Upon  
 2 application [AND PAYMENT OF ONE-HALF OF THE BIENNIAL FEE], the board  
 3 may issue a seasonal license under this title that is effective for the intervals stated on  
 4 the license. [A SEASONAL LICENSE MAY NOT BE EFFECTIVE FOR MORE  
 5 THAN 12 MONTHS IN A TWO-YEAR PERIOD.] Otherwise, **a license or**  
 6 **endorsement** [ALL LICENSES] issued under this title **and a conditional**  
 7 **contractor's permit issued under AS 04.09.690 is** [OTHER THAN A RETAIL  
 8 STOCK SALE LICENSE ARE] effective for the two calendar years ending  
 9 December 31, unless a shorter period is prescribed by the board or by law.

10           (b) A permit issued under this title shall be for **a specific time** [THE] period  
 11 [PRESCRIBED BY THE BOARD]. The period shall be clearly designated on the  
 12 permit.

13 \* **Sec. 84.** AS 04.16.010(c) is amended to read:

14           (c) **Except as provided in (e) of this section, a** [A] licensee, an agent, or  
 15 employee may not permit a person to enter and a person may not enter premises  
 16 licensed under this title between the hours of 5:00 a.m. and 8:00 a.m. each day, **unless**  
 17 **the person is**

18                           **(1) on the premises to conduct business with the licensee, agent, or**  
 19 **employee, and the licensee, agent, or employee is in compliance with (a) and (b)**  
 20 **of this section;**

21                           **(2) a common carrier with a common carrier dispensary license**  
 22 **under AS 04.09.260;**

23                           **(3)** [. THIS SUBSECTION DOES NOT APPLY TO COMMON  
 24 CARRIERS OR TO] an employee of the licensee who is on the premises to prepare  
 25 for the next day's business;

26                           **(4) performing maintenance or improvements authorized by the**  
 27 **licensee;**

28                           **(5)** [. A PERSON MAY ENTER OR REMAIN] on the premises [OF  
 29 A BONA FIDE RESTAURANT OR EATING PLACE LICENSED UNDER THIS  
 30 TITLE] to consume food or nonalcoholic beverages **and the premises are**

31   **(A) licensed under a restaurant or eating place license**

1           issued under AS 04.09.210 or a seasonal restaurant or eating place  
 2           tourism license issued under AS 04.09.360; or  
 3                           (B) covered under a restaurant endorsement issued under  
 4           AS 04.09.450.

5       \* **Sec. 85.** AS 04.16.010 is amended by adding new subsections to read:

6           (e) A brewery, winery, or distillery retail licensee or an agent or employee of a  
 7           brewery, winery, or distillery retail licensee may not permit a person to enter and a  
 8           person may not enter a premises licensed under this title between the hours of 10:00  
 9           p.m. and 9:00 a.m. each day, unless the person is

10                       (1) on the premises to conduct business with the licensee, agent, or  
 11           employee, and the licensee, agent, or employee is in compliance with (a) and (b) of  
 12           this section;

13                       (2) an employee of the licensee who is on the premises to prepare for  
 14           the next day's business; or

15                       (3) performing maintenance or improvements authorized by the  
 16           licensee.

17           (f) A person who violates (a), (b), (c), or (e) of this section is guilty of a  
 18           violation.

19       \* **Sec. 86.** AS 04.16.015(a) is amended to read:

20           (a) On premises where alcoholic beverages are sold by the drink, a licensee or  
 21           a licensee's agent or employee may not

22                       (1) offer or deliver, as a marketing device to the general public, free  
 23           alcoholic beverages to a patron, except as provided for the holder of a  
 24           manufacturer sampling endorsement under AS 04.09.410 or a package store  
 25           sampling endorsement under AS 04.09.490;

26                       (2) deliver an alcoholic beverage to a person already possessing two or  
 27           more;

28                       (3) sell, offer to sell, or deliver alcoholic beverages to a person or  
 29           group of persons at a price less than the price regularly charged for the beverages  
 30           during a consecutive seven-day period [THE SAME CALENDAR WEEK], except at  
 31           private functions not open to the general public;

1 (4) sell, offer to sell, or deliver an unlimited number of alcoholic  
2 beverages to a person or group of persons during a set period of time for a fixed price;

3 (5) sell, offer to sell, or deliver alcoholic beverages to a person or  
4 group of persons on any one day at prices less than those charged the general public  
5 on that day, except at private functions not open to the general public;

6 (6) encourage or permit an organized game or contest on the licensed  
7 premises that involves drinking alcoholic beverages or the awarding of alcoholic  
8 beverages as prizes.

9 \* **Sec. 87.** AS 04.16.015 is amended by adding a new subsection to read:

10 (e) A person who violates this section is guilty of a violation.

11 \* **Sec. 88.** AS 04.16 is amended by adding a new section to read:

12 **Sec. 04.16.017. Trade practices.** (a) A person holding a license under  
13 AS 04.09.020, 04.09.030, 04.09.040, 04.09.100, or 04.09.110 or engaged in the  
14 alcoholic beverage industry in another state or country as a brewer, vintner, distiller,  
15 or importer, or as an agent of a brewer, vintner, distiller, or importer, may not, except  
16 as provided in regulations adopted by the board under (b) of this section, induce a  
17 person holding a license under this title to

18 (1) operate as a tied house by inducing a retailer engaged in the sale of  
19 alcoholic beverages to purchase products from an entity to the exclusion, in whole or  
20 in part, of products sold or offered for sale by other entities by

21 (A) furnishing, giving, renting, lending, or selling to the retailer  
22 equipment fixtures, signs, supplies, money, services, or other things of value,  
23 except those excluded in regulation and determined to be not contrary to the  
24 public interest or contrary to the intent of this subsection;

25 (B) paying or crediting the retailer for an advertising, display,  
26 or distribution service;

27 (C) guaranteeing a loan or the repayment of a financial  
28 obligation of the retailer;

29 (D) extending to the retailer credit for a period in excess of the  
30 credit period usual and customary to the industry for the particular class of  
31 transactions; or

1 (E) requiring the retailer to take and dispose of a certain quota  
2 of the products;

3 (2) operate as an exclusive outlet by requiring that a retailer engaged in  
4 the sale of alcoholic beverages purchase products from an entity to the exclusion, in  
5 whole or in part, of alcoholic beverages sold or offered for sale by other entities;

6 (3) purchase products from an entity to the exclusion, in whole or in  
7 part, of products sold or offered for sale by other entities by

8 (A) commercial bribery; or

9 (B) offering or giving any bonus, premium, or compensation to  
10 an officer, employee, or representative of the licensee;

11 (4) enter into an agreement for consignment sales, or to purchase, offer  
12 to purchase, or contract to purchase products on consignment, under conditional sale,  
13 or with the privilege of return on any basis other than a bona fide sale, or where part of  
14 the transaction involves, directly or indirectly, the acquisition by an entity from the  
15 licensee or the entity's agreement to acquire from the licensee other alcoholic  
16 beverages, except that this paragraph does not apply to transactions involving solely  
17 the return of merchandise for ordinary and usual commercial reasons arising after the  
18 merchandise has been sold.

19 (b) The board shall adopt regulations providing exceptions to the practices  
20 listed under (a) of this section that are

21 (1) consistent with federal law at the time of the effective date of this  
22 section;

23 (2) necessary to avoid practical difficulty or undue hardship on a  
24 licensee;

25 (3) in the best interests of the public; and

26 (4) consistent with the requirements of this title.

27 (c) The board shall adopt regulations establishing administrative penalties for  
28 a violation of this section.

29 (d) In this section, "commercial bribery," "consignment sales," "exclusive  
30 outlet," and "tied house" have the meanings given in 27 U.S.C. 205 and regulations  
31 adopted under that section.

1 \* **Sec. 89.** AS 04.16.020 is amended by adding new subsections to read:

2 (d) A person who violates a provision of this section commits the offense of  
3 unauthorized solicitation or purchase of alcoholic beverages.

4 (e) Unauthorized solicitation or purchase of alcoholic beverages is a violation  
5 and is punishable by a fine of \$100.

6 \* **Sec. 90.** AS 04.16 is amended by adding a new section to read:

7 **Sec. 04.16.022. Online sale and purchase of alcoholic beverages.** (a) A  
8 licensee or a licensee's agent or employee may not sell or offer to sell alcoholic  
9 beverages to the public online unless the licensee holds a winery direct shipment  
10 license issued under AS 04.09.370 or a package store shipping endorsement under  
11 AS 04.09.460.

12 (b) A person may not purchase alcoholic beverages online except from the  
13 holder of a winery direct shipment license issued under AS 04.09.370 or a package  
14 store shipping endorsement under AS 04.09.460.

15 (c) A person who violates (a) of this section is, upon conviction, guilty of a  
16 class A misdemeanor.

17 (d) A person who violates (b) of this section is guilty of a violation.

18 \* **Sec. 91.** AS 04.16.025(a) is amended to read:

19 (a) A person may not knowingly enter or remain on premises

20 (1) in which alcoholic beverages are manufactured, sold, offered for  
21 sale, possessed for sale or barter, trafficked in, or bartered in violation of

22 (A) AS 04.09.060, 04.09.850, or AS 04.11.010; or

23 (B) a municipal ordinance adopted under AS 04.21.010(a) or

24 (b); or

25 (2) licensed under this title during hours in which the person's presence  
26 on the premises is a violation of a municipal ordinance adopted under authority of  
27 AS 04.16.010(d) providing for hours of closure that are outside the hours of closure  
28 prescribed by AS 04.16.010(c) or (e).

29 \* **Sec. 92.** AS 04.16.030 is amended by adding new subsections to read:

30 (c) A person who violates this section commits the offense of prohibited  
31 conduct relating to a drunken person.

1 (d) Prohibited conduct relating to a drunken person is a violation, punishable  
2 by a fine of \$500.

3 (e) The holder of a license is strictly and vicariously liable for an offense  
4 committed under (c) of this section by an employee or agent of the licensee on the  
5 licensed premises, punishable by an administrative penalty of \$250. Notwithstanding  
6 AS 04.11.370(a)(4) and (5) and AS 04.16.180(b)(1), the board may not order  
7 suspension of the license for the first violation committed on the licensed premises  
8 under this section.

9 (f) A licensee who knowingly allows an agent or employee of the licensee to  
10 commit the offense of prohibited conduct relating to a drunken person under (c) of this  
11 section commits the offense of failure to ensure compliance relating to a drunken  
12 person.

13 (g) Failure to ensure compliance relating to a drunken person is a class A  
14 misdemeanor.

15 \* **Sec. 93.** AS 04.16.035 is amended to read:

16 **Sec. 04.16.035. Possession of ingredients for homebrew in certain areas.** A  
17 person residing in an area that has adopted a local option **under AS 04.11.491** [TO  
18 PROHIBIT THE SALE, IMPORTATION, AND POSSESSION OF ALCOHOLIC  
19 BEVERAGES UNDER AS 04.11.491(a)(5) OR (b)(4)] may not possess sugar,  
20 artificial sugar, malt, yeast, or any other material or equipment with the intent to use  
21 the material or equipment to create an alcoholic beverage.

22 \* **Sec. 94.** AS 04.16.035 is amended by adding new subsections to read:

23 (b) A person who knowingly violates this section commits the crime of  
24 possession of ingredients for homebrew.

25 (c) Possession of ingredients for homebrew is a class A misdemeanor.

26 \* **Sec. 95.** AS 04.16.040 is amended by adding new subsections to read:

27 (b) A person who violates this section commits the offense of prohibited  
28 access by a drunken person.

29 (c) Prohibited access by a drunken person is a violation.

30 \* **Sec. 96.** AS 04.16.045 is amended by adding new subsections to read:

31 (b) A person who violates this section commits the offense of permitting

1 consumption not authorized under a license.

2 (c) Permitting consumption not authorized under a license is a violation.

3 \* **Sec. 97.** AS 04.16.047 is amended by adding new subsections to read:

4 (d) A person who is restricted from purchasing alcohol under AS 04.16.160  
5 who knowingly violates (a) of this section commits the offense of entering or  
6 remaining on licensed premises.

7 (e) Entering or remaining on licensed premises is a class A misdemeanor.

8 \* **Sec. 98.** AS 04.16.049(a) is amended to read:

9 (a) A person under 21 years of age may not knowingly enter or remain in  
10 premises licensed under this title unless

11 (1) accompanied by a parent, guardian, or spouse who has attained 21  
12 years of age;

13 (2) the person is **allowed to enter and remain on** [AT LEAST 16  
14 YEARS OF AGE,] the premises **under a restaurant or eating place license issued**  
15 **under AS 04.09.210, seasonal restaurant or eating place tourism license issued**  
16 **under AS 04.09.360, or restaurant endorsement issued under AS 04.09.450** [ARE  
17 DESIGNATED BY THE BOARD AS A RESTAURANT FOR THE PURPOSES OF  
18 THIS SECTION, AND THE PERSON ENTERS AND REMAINS ONLY FOR  
19 DINING;

20 (3) THE PERSON IS UNDER 16 YEARS OF AGE, IS  
21 ACCOMPANIED BY A PERSON OVER 21 YEARS OF AGE, THE PARENT OR  
22 GUARDIAN OF THE UNDERAGED PERSON CONSENTS, THE PREMISES ARE  
23 DESIGNATED BY THE BOARD AS A RESTAURANT FOR THE PURPOSES OF  
24 THIS SECTION, AND THE PERSON ENTERS AND REMAINS ONLY FOR  
25 DINING];

26 **(3)** [(4)] the person is permitted on the premises under a club license  
27 issued under **AS 04.09.220(g) or former** AS 04.11.110(g); or

28 **(4)** [(5)] otherwise provided under (c), (d), or (g) of this section.

29 \* **Sec. 99.** AS 04.16.049(c) is amended to read:

30 (c) Notwithstanding any other provision in this section, a person 16 or 17  
31 years of age may enter and remain within the licensed premises of a hotel **or motel,**

1        **large resort**, golf course, **general wholesaler, limited brewed beverage and wine**  
 2        **wholesaler, common carrier dispensary, outdoor recreation lodge**, or restaurant  
 3        [OR EATING PLACE] in the course of employment if

4                (1) the employment does not involve the serving, mixing, delivering,  
 5        or dispensing of alcoholic beverages;

6                (2) the person has the written consent of a parent or guardian; and

7                (3) an exemption from the prohibition of AS 23.10.355 is granted by  
 8        the Department of Labor and Workforce Development. [THE BOARD, WITH THE  
 9        APPROVAL OF THE GOVERNING BODY HAVING JURISDICTION AND AT  
 10       THE LICENSEE'S REQUEST, SHALL DESIGNATE WHICH PREMISES ARE  
 11       HOTELS, GOLF COURSES, RESTAURANTS, OR EATING PLACES FOR THE  
 12       PURPOSES OF THIS SUBSECTION.]

13       \* **Sec. 100.** AS 04.16.049(d) is amended to read:

14                (d) Notwithstanding any other provision in this section, a person 18, 19, or 20  
 15       years of age may be employed within the licensed premises of a hotel **or motel, large**  
 16       **resort**, golf course, **general wholesaler, limited brewed beverage and wine**  
 17       **wholesaler, common carrier dispensary, outdoor recreation lodge**, or restaurant  
 18       [OR EATING PLACE], may enter and remain within those premises for the purpose  
 19       of employment, but may not, in the course of employment, sell, serve, deliver, or  
 20       dispense alcoholic beverages.

21       \* **Sec. 101.** AS 04.16.049 is amended by adding a new subsection to read:

22                (j) Notwithstanding any other provision in this section, a person under 21  
 23       years of age may be present on the licensed premises of a common carrier dispensary,  
 24       destination resort, or outdoor recreation lodge for the purpose of travel, travel lodging,  
 25       or outdoor recreation activities provided by the licensee if the person is

26                (1) at least 16 years of age; or

27                (2) under 16 years of age and a parent or legal guardian of the  
 28       underaged person consents.

29       \* **Sec. 102.** AS 04.16.051(d) is repealed and reenacted to read:

30                (d) A person who, with criminal negligence, furnishes or delivers an alcoholic  
 31       beverage to a person under 21 years of age in violation of (a) of this section commits

1 the crime of furnishing or delivering to a minor.

2 \* **Sec. 103.** AS 04.16.051 is amended by adding a new subsection to read:

3 (e) Furnishing or delivering to a minor is

4 (1) a class A misdemeanor, except as provided in (2) of this  
5 subsection;

6 (2) a class C felony if

7 (A) within the five years preceding the violation, the person has  
8 been previously convicted under

9 (i) this section; or

10 (ii) a law or ordinance of this or another jurisdiction  
11 with elements substantially similar to this section;

12 (B) the person who receives the alcoholic beverage negligently  
13 causes serious physical injury to or the death of another person while under the  
14 influence of the alcoholic beverage received in violation of this section; in this  
15 subparagraph,

16 (i) "negligently" means acting with civil negligence;

17 and

18 (ii) "serious physical injury" has the meaning given in  
19 AS 11.81.900; or

20 (C) the violation occurs within the boundaries of a municipality  
21 or the perimeter of an established village that has adopted a local option under  
22 AS 04.11.491 and has not opted out of applying a class C felony to violations  
23 of this section under AS 04.11.491(g).

24 \* **Sec. 104.** AS 04.16.052 is amended by adding new subsections to read:

25 (b) The holder of a license is strictly liable for an offense committed under (a)  
26 of this section by an employee or agent of the licensee on the licensed premises,  
27 punishable by an administrative penalty of \$250. Notwithstanding AS 04.11.370(a)(4)  
28 and (5) and AS 04.16.180(b)(1), the board may not order suspension of the license for  
29 the first violation committed on the licensed premises under this section.

30 (c) A person who violates (a) of this section commits the offense of licensee,  
31 employee, or agent furnishing alcohol to a minor.

1 (d) Licensee, employee, or agent furnishing alcohol to a minor is a violation  
2 and is punishable by a fine of \$500.

3 (e) A licensee who knowingly allows an agent or employee of the licensee to  
4 commit the offense of licensee, employee, or agent furnishing alcohol to a minor  
5 under (c) of this section commits the offense of failure to ensure compliance relating  
6 to furnishing alcohol to a minor.

7 (f) Failure to ensure compliance relating to furnishing alcohol to a minor is a  
8 class A misdemeanor.

9 \* **Sec. 105.** AS 04.16.055 is amended by adding new subsections to read:

10 (b) A person who knowingly rents a room in a hotel, motel, resort, or similar  
11 business for the purpose of providing alcoholic beverages to a person under 21 years  
12 of age commits the crime of renting a room for the purpose of providing alcoholic  
13 beverages to a person under 21 years of age.

14 (c) Renting a room for the purpose of providing alcoholic beverages to a  
15 person under 21 years of age is a class A misdemeanor.

16 \* **Sec. 106.** AS 04.16.057(b) is amended to read:

17 (b) A person who violates this section is guilty of a violation and **is**  
18 **punishable by a fine of \$500** [SHALL BE PUNISHED AS PROVIDED IN  
19 AS 12.55].

20 \* **Sec. 107.** AS 04.16.060(e) is amended to read:

21 (e) A person under the age of 21 who is seeking to enter and remain in a  
22 licensed premises under AS 04.16.049(a)(2) [OR (3)] may not misrepresent the  
23 person's age or having obtained the consent of the parent or guardian required by that  
24 section.

25 \* **Sec. 108.** AS 04.16.060 is amended by adding new subsections to read:

26 (g) A person who violates (a) of this section commits the offense of purchase  
27 by a person under 21 years of age.

28 (h) A person who violates (b) or (c) of this section commits the offense of  
29 delivery to a person under 21 years of age.

30 (i) Purchase by a person under 21 years of age is a violation and is punishable  
31 by a fine of \$500.

1 (j) Delivery to a person under 21 years of age is a violation and is punishable  
2 by a fine of \$500.

3 (k) For a person under 21 years of age who commits an offense under (g) of  
4 this section, the violation must be charged and filed with the court as a separate case  
5 and may not be combined or joined with any other minor offense or criminal charge in  
6 one action at the time of filing. A court may reduce the fine to \$50 for a person who  
7 has not more than one previous violation or to \$250 for a person who has two or more  
8 previous violations if the person provides the court, not later than six months after a  
9 judgment of conviction is entered, with proof of completion of

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

13 (2) a community diversion panel.

14 \* **Sec. 109.** AS 04.16.080 is amended to read:

15 **Sec. 04.16.080. Consumption [SALES OR CONSUMPTION] at school**  
16 **events.** A person **who is 21 years of age or older** may not [SELL OR] consume  
17 alcoholic beverages during a school event at the site of the event **if the event is**  
18 **expected to attract attendees under 21 years of age.**

19 \* **Sec. 110.** AS 04.16.080 is amended by adding new subsections to read:

20 (b) A person who is 21 years of age or older who consumes an alcoholic  
21 beverage during a school event at the site of the event under (a) of this section  
22 commits the offense of consuming at a school event.

23 (c) Consuming at a school event is a violation and is punishable by a fine of  
24 \$100.

25 \* **Sec. 111.** AS 04.16.090(c) is amended to read:

26 (c) **In** [FOR THE PURPOSES OF] this section, "consideration" includes  
27 [BUT IS NOT LIMITED TO] cover charge, the sale of food, ice, mixers, or other  
28 liquids used with alcoholic beverage drinks, [OR] the furnishing of glassware or other  
29 containers for use in the consumption of alcoholic beverages, **other charges for**  
30 **access to the licensed premises, or other services or products provided on the**  
31 **licensed premises.**

1 \* **Sec. 112.** AS 04.16.090 is amended by adding new subsections to read:

2 (d) A person who knowingly violates this section commits the crime of  
3 maintaining a bottle club.

4 (e) Maintaining a bottle club is a class A misdemeanor.

5 \* **Sec. 113.** AS 04.16.110 is amended by adding new subsections to read:

6 (b) A person who knowingly sells an alcoholic beverage in violation of (a) of  
7 this section commits the crime of sale of a prohibited alcoholic beverage.

8 (c) Sale of a prohibited alcoholic beverage is a class A misdemeanor.

9 \* **Sec. 114.** AS 04.16.120 is amended by adding new subsections to read:

10 (d) A person who removes an alcoholic beverage from licensed premises in  
11 violation of (a) of this section and a person who brings an alcoholic beverage onto  
12 licensed premises in violation of (b) of this section commits the offense of removal or  
13 introduction of alcoholic beverages.

14 (e) Notwithstanding (a) of this section, the holder of a beverage dispensary  
15 license under AS 04.09.200, the holder of a beverage dispensary tourism license under  
16 AS 04.09.350, or the holder's employee may transport alcoholic beverages across  
17 unlicensed portions of a hotel, motel, or large resort if the

18 (1) licensee holds an endorsement under AS 04.09.430 or 04.09.440;

19 and

20 (2) licensee or employee is walking directly from one licensed area of  
21 the premises to another licensed area.

22 (f) Notwithstanding (a) of this section, a person may remove alcoholic  
23 beverages from the licensed premises of a beverage dispensary license under  
24 AS 04.09.200 or a beverage dispensary tourism license under AS 04.09.350 for  
25 consumption on unlicensed portions of a large resort if the licensee holds a large resort  
26 endorsement under AS 04.09.440.

27 (g) Removal or introduction of alcoholic beverages is a violation and is  
28 punishable by a fine of \$100.

29 \* **Sec. 115.** AS 04.16.125(a) is amended to read:

30 (a) A person may not use a common carrier to transport alcoholic beverages  
31 into an area that has restricted the sale of alcoholic beverages under

1 AS 04.11.491(a)(1), (2), or (3) or (b)(1) or (2) unless

2 (1) the shipping container holding the alcoholic beverages is clearly  
3 labeled as containing alcoholic beverages [WITH LETTERS THAT CONTRAST IN  
4 COLOR TO THE SHIPPING CONTAINER AND THAT ARE AT LEAST TWO  
5 INCHES IN HEIGHT]; and

6 (2) an itemized invoice showing the quantity and purchase value of  
7 distilled spirits, [OF] wine, and **brewed** [OF MALT] beverages is attached to the  
8 outside of the shipping container.

9 \* **Sec. 116.** AS 04.16.125(b) is amended to read:

10 (b) **The requirements in (a) of this section do** [THIS SECTION DOES] not  
11 apply to

12 (1) a person transporting [NOT MORE THAN]

13 (A) two liters **or less** of wine;

14 (B) one gallon **or less** of **brewed** [MALT] beverages; or

15 (C) one liter **or less** of distilled spirits; or

16 (2) the transportation of alcoholic beverages for use on premises  
17 allowed under **AS 04.11.491(a)(2) or (3)** [AS 04.11.491(a)(2) - (3)] or (b)(2) or for  
18 use under a permit allowed under AS 04.11.491(a)(2).

19 \* **Sec. 117.** AS 04.16.125 is amended by adding new subsections to read:

20 (d) A person who knowingly violates this section commits the crime of  
21 unauthorized transportation of alcoholic beverages by common carrier into a local  
22 option area.

23 (e) Unauthorized transportation of alcoholic beverages by common carrier into  
24 a local option area is a class A misdemeanor.

25 \* **Sec. 118.** AS 04.16.130 is amended by adding new subsections to read:

26 (c) A person who violates this section commits the offense of unauthorized  
27 storage of alcoholic beverages.

28 (d) Unauthorized storage of alcoholic beverages is a violation.

29 \* **Sec. 119.** AS 04.16.140 is amended by adding new subsections to read:

30 (b) A person who knowingly violates (a) of this section commits the offense  
31 of sale or consumption of an alcoholic beverage in a warehouse.

1 (c) Sale or consumption of an alcoholic beverage in a warehouse is a violation.

2 \* **Sec. 120.** AS 04.16.150 is amended by adding new subsections to read:

3 (b) Except as provided under AS 04.16.030(f) and 04.16.052(e), a licensee  
4 who knowingly violates (a) of this section commits the offense of failure to ensure  
5 compliance.

6 (c) Failure to ensure compliance is a violation.

7 \* **Sec. 121.** AS 04.16.160 is amended by adding new subsections to read:

8 (c) A person who knowingly fails to comply with a restriction on purchasing  
9 alcoholic beverages in violation of (a) of this section commits the crime of failure to  
10 comply with a restriction on purchasing alcoholic beverages.

11 (d) Failure to comply with a restriction on purchasing alcoholic beverages is a  
12 class A misdemeanor.

13 \* **Sec. 122.** AS 04.16.170(b) is amended to read:

14 (b) A person transporting alcoholic beverages into the state may not sell those  
15 alcoholic beverages to a person not licensed under this title, unless the alcoholic  
16 beverages are used for religious, industrial, pharmaceutical, or medical purposes, **or as**  
17 **allowed under AS 04.09.370.**

18 \* **Sec. 123.** AS 04.16.170 is amended by adding new subsections to read:

19 (c) A licensee who knowingly violates (a) or (b) of this section commits the  
20 crime of sale of alcoholic beverages from or to an unlicensed person.

21 (d) Sale of alcoholic beverages from or to an unlicensed person is a class A  
22 misdemeanor.

23 \* **Sec. 124.** AS 04.16.172 is amended to read:

24 **Sec. 04.16.172. Restrictions on purchase and sale of alcoholic beverages.** A  
25 person licensed under **AS 04.09.200, 04.09.210, 04.09.220, 04.09.230, 04.09.270,**  
26 **04.09.280, 04.09.290, 04.09.300, 04.09.310, 04.09.320, 04.09.330, 04.09.340,**  
27 **04.09.350, or 04.09.360** [AS 04.11.090, 04.11.100, 04.11.110, OR 04.11.150] may not  
28 purchase, sell, or offer for sale an alcoholic beverage unless the alcoholic beverage  
29 being purchased, sold, or offered for sale was obtained from a person licensed under  
30 (1) **AS 04.09.100 or 04.09.110** [AS 04.11.160] as a primary source of  
31 supply for the alcoholic beverage being purchased, sold, or offered for sale;

1 (2) AS 04.09.230 [AS 04.11.150] and the alcoholic beverage being  
 2 purchased, sold, or offered for sale was obtained from a person licensed under  
 3 AS 04.09.100 or 04.09.110 [AS 04.11.160] as a primary source of supply; or

4 (3) AS 04.09.020, 04.09.030, or 04.09.040 [AS 04.11.130, 04.11.140,  
 5 OR 04.11.170].

6 \* **Sec. 125.** AS 04.16.172 is amended by adding new subsections to read:

7 (b) A licensee who knowingly violates (a) of this section commits the crime of  
 8 licensee obtaining alcoholic beverages from an unlicensed seller.

9 (c) Licensee obtaining alcoholic beverages from an unlicensed seller is a class  
 10 A misdemeanor.

11 \* **Sec. 126.** AS 04.16.175 is amended by adding new subsections to read:

12 (c) A person who knowingly furnishes an alcoholic beverage to a player in  
 13 violation of (a) of this section commits the crime of furnishing an alcoholic beverage  
 14 in aid of a gambling enterprise.

15 (d) Furnishing an alcoholic beverage in aid of a gambling enterprise is a class  
 16 A misdemeanor.

17 \* **Sec. 127.** AS 04.16.180(b) is amended to read:

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

20 (1) on first conviction, the license of the premises involved may not be  
 21 revoked, but, except as provided in AS 04.16.030 and 04.16.052, may be suspended  
 22 for not more than 45 days;

23 (2) on second conviction, the license of the premises involved may not  
 24 be revoked, but may be suspended for not more than 90 days;

25 (3) on third conviction, the license of the premises involved may be  
 26 suspended or revoked.

27 \* **Sec. 128.** AS 04.16.180(e) is amended to read:

28 (e) In this section,

29 (1) "conviction" includes a conviction of a violation, a  
 30 misdemeanor, and a felony;

31 (2) [THE TERMS] "second conviction" and "third conviction" include

1 only convictions for violations that occur within five years **after** [OF] the first  
 2 conviction; **the** [. THE] terms refer to the cumulative number of convictions of a  
 3 licensee of any combination of violations of the provisions of this title, regulations  
 4 adopted under this title, or ordinances adopted under AS 04.21.010; [. THE TERMS]  
 5 "second conviction" and "third conviction" include a conviction of the agent or  
 6 employee of a licensee of a violation of a law, regulation, or ordinance if the  
 7 conviction constitutes a ground for suspension or revocation under  
 8 AS 04.11.370(a)(5).

9 \* **Sec. 129.** AS 04.16.180 is amended by adding new subsections to read:

10 (f) In addition to the criminal penalties specified in this title and AS 12.55, a  
 11 holder of a license under this title who is convicted of a crime or offense involving the  
 12 violation of a provision of this title or a regulation adopted under this title is subject to  
 13 suspension or revocation of the license under this section and other administrative  
 14 penalties imposed by the board. For purposes of administrative penalties under this  
 15 subsection, each violation is a separate offense.

16 (g) The holder of a license subject to suspension or revocation under (b)(2) or  
 17 (3) of this section may request a hearing to petition the board to reduce the  
 18 administrative penalty. The board may reduce the administrative penalty if the  
 19 licensee shows, by a preponderance of the evidence, that

20 (1) the licensee complied with the alcohol server education course  
 21 requirement of AS 04.21.025 and adopted and enforced a compliance program and a  
 22 disciplinary program for agents and employees of the licensee;

23 (2) the licensee has a pattern and practice of exercising the degree of  
 24 care required under AS 04.16.030;

25 (3) the licensee posted warning signs as required under AS 04.21.065;  
 26 and

27 (4) in the case of a conviction for a violation of AS 04.16.030 or  
 28 04.16.052, the agent or employee convicted under AS 04.16.030 or 04.16.052  
 29 completed an alcohol server education course under AS 04.21.025.

30 \* **Sec. 130.** AS 04.16.220(a) is amended to read:

31 (a) The following are subject to forfeiture:

1 (1) alcoholic beverages manufactured, sold, offered for sale, possessed  
2 for sale, or bartered or exchanged for goods and services in this state in violation of  
3 AS 04.09.060, 04.09.850, or AS 04.11.010; alcoholic beverages possessed, stocked,  
4 warehoused, or otherwise stored in violation of AS 04.21.060; alcoholic beverages  
5 sold or offered for sale in violation of a local option adopted under AS 04.11.491;  
6 alcoholic beverages transported into the state and sold to persons not licensed under  
7 this title [CHAPTER] in violation of AS 04.16.170(b); alcoholic beverages  
8 transported in violation of AS 04.09.750 or AS 04.16.125;

9 (2) materials and equipment used in the manufacture, sale, offering for  
10 sale, possession for sale, or barter or exchange of alcoholic beverages for goods and  
11 services in this state in violation of AS 04.09.060, 04.09.850, or AS 04.11.010;  
12 materials and equipment used in the stocking, warehousing, or storage of alcoholic  
13 beverages in violation of AS 04.21.060; materials and equipment used in the sale or  
14 offering for sale of an alcoholic beverage in an area in violation of a local option  
15 adopted under AS 04.11.491;

16 (3) aircraft, vehicles, or vessels used to transport or facilitate the  
17 transportation of

18 (A) alcoholic beverages manufactured, sold, offered for sale,  
19 possessed for sale, or bartered or exchanged for goods and services in this state  
20 in violation of AS 04.09.060, 04.09.850, or AS 04.11.010;

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

23 (C) alcoholic beverages imported into a municipality or  
24 established village in violation of AS 04.11.499(a);

25 (4) alcoholic beverages found on licensed premises that do not bear  
26 federal excise stamps if excise stamps are required under federal law;

27 (5) alcoholic beverages, materials, or equipment used in violation of  
28 AS 04.16.175;

29 (6) money, securities, negotiable instruments, or other things of value  
30 used in financial transactions or items of value purchased from the proceeds derived  
31 from activity prohibited under AS 04.09.060, 04.09.850, or AS 04.11.010 or in

1 violation of a local option adopted under AS 04.11.491;

2 (7) a firearm used in furtherance of a violation of this title.

3 \* **Sec. 131.** AS 04.16.220(d) is amended to read:

4 (d) Property subject to forfeiture under (a) of this section may be forfeited

5 (1) upon conviction of a person for a violation of AS 04.09.060,  
6 04.09.750, 04.09.850, AS 04.11.010, 04.11.499, AS 04.16.125, AS 04.21.060, or  
7 AS 04.11.501 or an ordinance adopted under AS 04.11.501; or

8 (2) upon judgment by the superior court in a proceeding in rem that the  
9 property was used in a manner subjecting it to forfeiture under (a) of this section.

10 \* **Sec. 132.** AS 04.16.220(g) is amended to read:

11 (g) It is no defense in an in rem forfeiture proceeding brought under (d)(2) of  
12 this section that a criminal proceeding is pending or has resulted in conviction or  
13 acquittal of a person charged with violating AS 04.09.060, 04.09.850, AS 04.11.010,  
14 04.11.499, or AS 04.21.060.

15 \* **Sec. 133.** AS 04.16.220(i) is amended to read:

16 (i) Upon conviction for a violation of AS 04.09.060, 04.09.850, AS 04.11.010,  
17 or 04.11.499(a), if an aircraft, vehicle, or watercraft is subject to forfeiture under (a) of  
18 this section, the court shall, subject to remission to innocent parties under this section,

19 (1) order the forfeiture of an aircraft to the state;

20 (2) order the forfeiture of a vehicle or watercraft if

21 (A) the defendant has a prior felony conviction for a violation  
22 of AS 11.41 or a similar law in another jurisdiction;

23 (B) the defendant is on felony probation or parole;

24 (C) the defendant has a prior conviction for violating  
25 AS 04.11.010 or 04.11.499(a); or

26 (D) the quantity of alcohol transported in violation of this title  
27 was twice the presumptive amounts in AS 04.11.010(c).

28 \* **Sec. 134.** AS 04.21 is amended by adding a new section to read:

29 **Sec. 04.21.012. Keg registration.** (a) A person may not purchase a keg or  
30 similar container holding four or more gallons of an alcoholic beverage unless the  
31 person provides proof that the person is over 21 years of age and completes and signs

1 a registration form. The purchaser of a keg or similar container holding four or more  
2 gallons of an alcoholic beverage may not remove or obliterate the temporary  
3 identifying tag on the keg or container.

4 (b) A licensee or an agent or employee of a licensee who sells or offers for  
5 sale a keg or similar container holding four or more gallons of an alcoholic beverage  
6 shall require a purchaser to show acceptable proof of age under AS 04.21.050(b) and  
7 sign the sworn statement on a registration form. The licensee shall complete the  
8 registration form and affix a temporary tag with a unique identifier to the keg or  
9 container before releasing the container to the purchaser. The licensee shall retain a  
10 copy of the form for one year and make the form available for inspection.

11 (c) The board shall prescribe a registration form for use by licensees and  
12 purchasers. The board may approve for use a registration form adopted by a local  
13 governing body. A registration form must include

- 14 (1) the name of the seller;
- 15 (2) the name of the purchaser;
- 16 (3) a description of the proof of age provided by the buyer, including  
17 the identification number, if any;
- 18 (4) the unique identifier on the temporary tag attached to the keg or  
19 container under (b) of this section.

20 (d) A licensee or an agent or employee of a licensee who sells a keg or similar  
21 container holding four or more gallons of an alcoholic beverage without completing a  
22 registration form or affixing a temporary identification tag to the keg or container  
23 commits the crime of selling alcoholic beverages in an unregistered keg.

24 (e) A person who is not licensed under this title or the employee or agent of a  
25 person who is not licensed under this title who possesses a keg or similar container  
26 holding four or more gallons of an alcoholic beverage without a temporary  
27 identification tag commits the crime of possessing alcoholic beverages in an  
28 unregistered keg.

29 (f) Selling alcoholic beverages in an unregistered keg is a violation.

30 (g) Possessing alcoholic beverages in an unregistered keg is a violation and is  
31 punishable by a fine of \$100.

1 \* **Sec. 135.** AS 04.21.020(a) is amended to read:

2 (a) Except as provided under (b) and (d) of this section, a person who provides  
3 alcoholic beverages to another person may not be held civilly liable for injuries  
4 resulting from the intoxication of that person unless the person who provides the  
5 alcoholic beverages holds a license authorized under AS 04.09.020 - 04.09.370  
6 [AS 04.11.080 - 04.11.220] or is an agent or employee of [SUCH] a licensee and

7 (1) the alcoholic beverages are provided to a person under [THE AGE  
8 OF] 21 years of age in violation of AS 04.16.051, unless the licensee, agent, or  
9 employee secures in good faith from the person a signed statement, liquor  
10 identification card, or driver's license meeting the requirements of AS 04.21.050(a)  
11 and (b), that indicates that the person is 21 years of age or older; or

12 (2) the alcoholic beverages are provided to a drunken person in  
13 violation of AS 04.16.030.

14 \* **Sec. 136.** AS 04.21.020(b) is amended to read:

15 (b) A person who sells or barter an alcoholic beverage to another person in  
16 violation of AS 04.09.060, 04.09.850, or AS 04.11.010 is strictly liable (1) to the  
17 recipient or another person for civil damages if, while under the influence of the  
18 alcoholic beverage, the person receiving the alcoholic beverage engages in conduct  
19 that results in civil damages and the recipient's being under the influence of the  
20 alcoholic beverage substantially contributes to the civil damages; and (2) for the cost  
21 to the state or a political subdivision of the state to criminally prosecute a person who  
22 receives an alcoholic beverage from a person who violates AS 04.11.010 if the  
23 prosecution results from the violation of AS 04.11.010 described in this subsection.

24 \* **Sec. 137.** AS 04.21.025(a) is repealed and reenacted to read:

25 (a) Except as provided under (e) and (f) of this section, as a condition of  
26 issuance or renewal of a license or conditional contractor's permit and selling alcoholic  
27 beverages under a license or conditional contractor's permit, the board shall require a  
28 licensee or permittee who sells or serves alcoholic beverages and a licensee's or  
29 permittee's agents and employees who sell or serve alcoholic beverages or check the  
30 identification of a patron to complete an alcohol server education course approved by  
31 the board.

1 \* **Sec. 138.** AS 04.21.025(b) is amended to read:

2 (b) The subjects that are included in an approved alcohol server education  
3 course shall be determined under regulations adopted by the board. In approving  
4 alcohol server education courses, the board shall consider the needs of both urban and  
5 rural licensees regarding access to an approved alcohol server education course **and**  
6 **allow a licensee, permittee, agent, or employee to complete an alcohol server**  
7 **education course online or in person.** A licensee, **permittee,** agent, or employee  
8 who sells or serves alcoholic beverages shall keep the card described in (c) of this  
9 section or other proof acceptable to the board of successful completion of an approved  
10 alcohol server education course on the licensed premises during working hours.

11 \* **Sec. 139.** AS 04.21.025(c) is amended to read:

12 (c) A licensee, **permittee,** agent, or employee shall complete the course  
13 required under (a) of this section and pass a written test, **online or in person,**  
14 demonstrating an understanding of the course subjects not more than 30 days after  
15 being licensed, **permitted,** or employed. The course provider shall issue a card to each  
16 individual who completes the course and passes the written test. A card issued under  
17 this subsection is valid for three years from the date of issue. A licensee, **permittee,**  
18 agent, or employee may renew a card issued under this section; to renew the card, the  
19 licensee, **permittee,** agent, or employee must pass a written test demonstrating an  
20 understanding of the course subjects. **Notwithstanding the 30-day period for**  
21 **completing the course and passing the written test under this subsection, a person**  
22 **may not sell or serve alcoholic beverages or check the identification of a patron at**  
23 **a permitted event under AS 04.09.600 - 04.09.690 unless the person possesses a**  
24 **valid card issued before the event.**

25 \* **Sec. 140.** AS 04.21.025 is amended by adding new subsections to read:

26 (f) This section does not apply to the following licenses:

- 27 (1) brewery manufacturer license under AS 04.09.020, unless the  
28 licensee holds a manufacturer sampling endorsement;
- 29 (2) winery manufacturer license under AS 04.09.030, unless the  
30 licensee holds a manufacturer sampling endorsement;
- 31 (3) distillery manufacturer license under AS 04.09.040, unless the

1 licensee holds a manufacturer sampling endorsement;

2 (4) general wholesale license under AS 04.09.100;

3 (5) limited wholesale brewed beverage and wine license under  
4 AS 04.09.110;

5 (6) winery direct shipment license under AS 04.09.370.

6 (g) A person who violates (a) - (c) or (e) of this section commits the offense of  
7 failure to comply with alcohol server education requirements.

8 (h) Failure to comply with alcohol server education requirements is a  
9 violation.

10 \* **Sec. 141.** AS 04.21.050(a) is amended to read:

11 (a) If a licensee or an agent or employee of the licensee questions or has  
12 reason to question whether a person entering licensed premises, or ordering,  
13 purchasing, attempting to purchase, or otherwise procuring or attempting to procure  
14 alcoholic beverages,

15 (1) has attained the age of 21 years or is entering without consent in  
16 violation of AS 04.16.049(a)(2) [AS 04.16.049(a)(3)] and has not attained the age of  
17 16 years, that licensee, agent, or employee shall require the person to furnish proof of  
18 age acceptable under (b) of this section or proof of consent in a form determined by  
19 the board; if the person questioned does not furnish proof of age acceptable under (b)  
20 of this section, or if a licensee, agent, or employee questions or has reason to question  
21 the validity of the proof of age furnished, the licensee, employee, or agent shall require  
22 the person to sign a statement that the person is over the age of 21 or 16 years, as  
23 appropriate; this statement shall be made on a form prepared by and furnished to the  
24 licensee by the board;

25 (2) is restricted from purchasing alcoholic beverages under  
26 AS 04.16.160, the licensee, agent, or employee may, but has no duty or obligation to,  
27 require the person to furnish proof acceptable under (b) of this section that the person  
28 is not restricted from purchasing alcoholic beverages or require the person to sign a  
29 statement that the person is not restricted from purchasing alcoholic beverages under  
30 AS 04.16.160; this statement shall be made on a form prepared by and furnished to the  
31 licensee by the board.

1 \* **Sec. 142.** AS 04.21.060 is amended by adding new subsections to read:

2 (b) A licensee who stores alcoholic beverages elsewhere than on the licensed  
3 premises and who fails to comply with (a)(1) - (3) of this section commits the offense  
4 of unauthorized warehousing.

5 (c) Unauthorized warehousing is a violation.

6 \* **Sec. 143.** AS 04.21.065(a) is repealed and reenacted to read:

7 (a) A holder of one of the following types of licenses or permits shall post on  
8 the licensed or designated premises three separate warning signs as described in (b) of  
9 this section:

10 (1) brewery manufacturer license under AS 04.09.020 with a  
11 manufacturer sampling endorsement under AS 04.09.410;

12 (2) winery manufacturer license under AS 04.09.030 with a  
13 manufacturer sampling endorsement under AS 04.09.410;

14 (3) distillery manufacturer license under AS 04.09.040 with a  
15 manufacturer sampling endorsement under AS 04.09.410;

16 (4) beverage dispensary license under AS 04.09.200;

17 (5) restaurant or eating place license under AS 04.09.210;

18 (6) club license under AS 04.09.220;

19 (7) package store license under AS 04.09.230;

20 (8) pub license under AS 04.09.240;

21 (9) theater license under AS 04.09.250;

22 (10) common carrier dispensary license under AS 04.09.260;

23 (11) sporting activity or event license under AS 04.09.270;

24 (12) outdoor recreation lodge license under AS 04.09.280;

25 (13) fair license under AS 04.09.290;

26 (14) golf course license under AS 04.09.300;

27 (15) destination resort license under AS 04.09.310;

28 (16) brewery retail license under AS 04.09.320;

29 (17) winery retail license under AS 04.09.330;

30 (18) distillery retail license under AS 04.09.340;

31 (19) beverage dispensary tourism license under AS 04.09.350;

1 (20) seasonal restaurant or eating place tourism license under  
2 AS 04.09.360;

3 (21) beverage dispensary caterer's permit under AS 04.09.610;

4 (22) restaurant caterer's dining permit under AS 04.09.620;

5 (23) club caterer's permit under AS 04.09.630;

6 (24) art exhibit event permit under AS 04.09.640;

7 (25) music festival permit under AS 04.09.645;

8 (26) nonprofit organization event permit under AS 04.09.650;

9 (27) package store tasting event permit under AS 04.09.670;

10 (28) conditional contractor's permit under AS 04.09.690;

11 (29) another license or permit issued by the board authorizing  
12 consumption of alcoholic beverages.

13 \* **Sec. 144.** AS 04.21 is amended by adding new sections to read:

14 **Sec. 04.21.072. Fines and other criminal penalties.** (a) A violation under this  
15 title, unless otherwise specified in the provision of this title defining the offense, is  
16 punishable by a fine of \$250.

17 (b) A misdemeanor or felony under this title, unless otherwise specified in the  
18 provision of this title defining the offense, is punishable as provided in AS 12.55.

19 **Sec. 04.21.074. Bail forfeiture schedule.** The supreme court shall establish by  
20 rule or order a schedule of bail amounts for violations under this title that allow the  
21 disposition of a citation without a court appearance. The bail amount may not exceed  
22 the maximum penalty prescribed by law for the violation.

23 **Sec. 04.21.076. Suspension of fine or sentence.** The court may not suspend a  
24 fine for an offense other than a misdemeanor or felony under this title, or suspend  
25 imposition or execution of sentence for an offense other than a misdemeanor or felony  
26 under this title, unless otherwise expressly provided in this title.

27 \* **Sec. 145.** AS 04.21.078 is amended to read:

28 **Sec. 04.21.078. Court records of persons under 21 years of age.** The Alaska  
29 Court System may not publish on a publicly available website the court records of a  
30 violation of AS 04.16.049, [OR] 04.16.050, 04.16.060(g), or a similar ordinance of a  
31 municipality, if the violation was charged separately and was not joined with any other

1 minor offense or criminal charge at the time of filing.

2 \* **Sec. 146.** AS 04.21.080(b)(6) is amended to read:

3 (6) "designated premises" means any or all designated portions of a  
4 building or structure, rooms or enclosures in the building or structure, or real estate  
5 leased, used, controlled, or operated by a licensee or permittee for the purpose for  
6 which the license or permit is issued by the board at the location of the site for which  
7 the license or permit is issued;

8 \* **Sec. 147.** AS 04.21.080(b)(15) is amended to read:

9 (15) "licensed premises" means any or all designated portions of a  
10 building or structure, rooms or enclosures in the building or structure, or real estate  
11 leased, used, controlled, or operated by a licensee in the conduct of business for which  
12 the licensee is licensed by the board at the specific address for which the license or an  
13 endorsement to the license is issued;

14 \* **Sec. 148.** AS 04.21.080(b) is amended by adding new paragraphs to read:

15 (21) "bona fide restaurant" means an establishment or a portion of an  
16 establishment where, during all times alcoholic beverages are served or consumed,

17 (A) the patron's principal activity is consumption of food; and

18 (B) a variety of types of food items appropriate for meals is  
19 prepared on site and available for sale as shown on a menu provided to patrons  
20 and filed with the board;

21 (22) "brewed beverage" means an alcoholic beverage made by  
22 fermenting cereal grains, including beer and malt beverages, sake, and kombucha;

23 (23) "calendar year" means the period beginning January 1 and ending  
24 December 31;

25 (24) "cider" means a type of wine made primarily from fermented  
26 apples, apple juice, or concentrate;

27 (25) "distilled spirit" means an alcoholic beverage that is first  
28 fermented and then distilled;

29 (26) "golf course" means a course that is open to the public, having at  
30 least nine holes and covering at least 2,950 yards;

31 (27) "kombucha" means a brewed beverage made from fermented tea

1 and containing at least one-half percent alcohol by volume;

2 (28) "mead" means a type of wine made primarily from honey;

3 (29) "sake" means a type of brewed beverage made primarily from  
4 fermented rice;

5 (30) "wine" means an alcoholic beverage made from fermented grapes  
6 or other fruit or honey.

7 \* **Sec. 149.** AS 05.15.690(48) is amended to read:

8 (48) "vendor" means a business whose primary activity is not regulated  
9 by this chapter but that

10 (A) is engaged in the sale of pull-tabs on behalf of a permittee;

11 (B) holds a business license under AS 43.70; and

12 (C) is an establishment holding a

13 (i) beverage dispensary license under **AS 04.09.200 or**  
14 **beverage dispensary tourism license under AS 04.09.350 without a**  
15 **restaurant endorsement issued under AS 04.09.450** [AS 04.11.090]  
16 that [HAS NOT BEEN DESIGNATED BY THE ALCOHOLIC  
17 BEVERAGE CONTROL BOARD UNDER AS 04.16.049(a)(2) - (3),]  
18 has not been exempted by the Department of Labor and Workforce  
19 Development under AS 04.16.049(c) and AS 23.10.355 [,] and, if the  
20 establishment is a hotel, motel, resort, or similar business that caters to  
21 the traveling public as a substantial part of its business, does not allow  
22 the sale of pull-tabs in a dining room, banquet room, guest room, or  
23 other public areas other than a room in which there is regularly  
24 maintained a fixed counter or service bar **that has plumbing**  
25 **connections to permanent plumbing** at which alcoholic beverages are  
26 sold or served to members of the public for consumption;

27 (ii) package store license under **AS 04.09.230** [AS 04.11.150];

28 \* **Sec. 150.** AS 09.65.315(b) is amended to read:

29 (b) A person licensed under **AS 04.09.020 - 04.09.370** [AS 04.11.080 -  
30 04.11.255], or an agent or employee of the person, is not liable for damages resulting  
31 from a motor vehicle accident described under (a) of this section. A person or entity

1 that participates in making arrangements for transportation of a vehicle under (a) of  
 2 this section is not liable for damages resulting from a motor vehicle accident described  
 3 in (a) of this section.

4 \* **Sec. 151.** AS 11.61.220(d) is amended to read:

5 (d) In a prosecution under (a)(2) of this section, it is

6 (1) an affirmative defense that

7 (A) [REPEALED]

8 (B) the loaded firearm was a concealed handgun as defined in  
 9 AS 18.65.790; and

10 (C) the possession occurred at a place **covered by a restaurant**  
 11 **or eating place license under AS 04.09.210, seasonal restaurant or eating**  
 12 **place tourism license under AS 04.09.360, or restaurant endorsement**  
 13 **under AS 04.09.450** [DESIGNATED AS A RESTAURANT FOR THE  
 14 PURPOSES OF AS 04.16.049] and the defendant did not consume  
 15 intoxicating liquor at the place;

16 (2) a defense that the defendant, at the time of possession, was on  
 17 business premises

18 (A) owned by or leased by the defendant; or

19 (B) in the course of the defendant's employment for the owner  
 20 or lessee of those premises.

21 \* **Sec. 152.** AS 11.76.100(b) is amended to read:

22 (b) Notwithstanding the provisions of (a) of this section, a person who  
 23 maintains a vending machine is not in violation of (a)(3) of this section if the vending  
 24 machine is located

25 (1) on premises licensed as a beverage dispensary under **AS 04.09.200**  
 26 **or 04.09.350** [AS 04.11.090], licensed as a club under **AS 04.09.220** [AS 04.11.110],  
 27 or licensed as a package store under **AS 04.09.230** [AS 04.11.150]; and

28 (A) as far as practicable from the primary entrance; and

29 (B) in a place that is directly and continually supervised by a  
 30 person employed on the licensed premises during the hours the vending  
 31 machine is accessible to the public; or

1 (2) in an employee break room or other controlled area of a private  
 2 work place that is not generally considered a public place and the room or area  
 3 contains a posted warning sign at least 11 inches by 14 inches indicating that  
 4 possession of tobacco by a person under 19 years of age is prohibited under  
 5 AS 11.76.105.

6 \* **Sec. 153.** AS 11.76.107(a) is amended to read:

7 (a) A person commits the offense of failure to supervise a vending machine if  
 8 the person owns premises licensed as a beverage dispensary under AS 04.09.200 or  
 9 04.09.350 [AS 04.11.090], licensed as a club under AS 04.09.220 [AS 04.11.110], or  
 10 licensed as a package store under AS 04.09.230 [AS 04.11.150] and with criminal  
 11 negligence fails to have an employee supervise a vending machine on those premises  
 12 that dispenses cigarettes, cigars, tobacco, products containing tobacco, electronic  
 13 smoking products, or products containing nicotine as required by  
 14 AS 11.76.100(b)(1)(B) and 11.76.109(d)(1)(B).

15 \* **Sec. 154.** AS 11.76.109(d) is amended to read:

16 (d) Notwithstanding (a)(3) of this section, a person who maintains a vending  
 17 machine is not in violation of (a)(3) of this section if the vending machine is located

18 (1) on premises licensed as a beverage dispensary under AS 04.09.200  
 19 or 04.09.350 [AS 04.11.090], licensed as a club under AS 04.09.220 [AS 04.11.110],  
 20 or licensed as a package store under AS 04.09.230 [AS 04.11.150], and is located

21 (A) as far as practicable from the primary entrance; and

22 (B) in a place that is directly and continually supervised by a  
 23 person employed on the licensed premises during the hours the vending  
 24 machine is accessible to the public; or

25 (2) in an employee break room or other controlled area of a private  
 26 work place that is not generally considered a public place and the room or area  
 27 contains a posted warning sign at least 11 inches by 8.5 inches indicating that  
 28 possession of electronic smoking products or products containing nicotine by a person  
 29 under 19 years of age without a prescription is prohibited under this section  
 30 [AS 11.76.109].

31 \* **Sec. 155.** AS 12.62.400(a) is amended to read:

1 (a) To obtain a national criminal history record check for determining a  
2 person's qualifications for a license, permit, registration, employment, or position, a  
3 person shall submit the person's fingerprints to the department with the fee established  
4 by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau  
5 of Investigation to obtain a national criminal history record check of the person for the  
6 purpose of evaluating a person's qualifications for

7 (1) a license or conditional contractor's permit to manufacture, sell,  
8 offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage  
9 under AS 04.09 [AS 04.11];

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

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

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

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

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

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

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

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

22 (10) a teacher certificate under AS 14.20;

23 (11) a registration or license to operate a marijuana establishment  
24 under AS 17.38;

25 (12) admittance to a police training program under AS 18.65.230 or for  
26 certification as a police officer under AS 18.65.240 if that person's prospective  
27 employer does not have access to a criminal justice information system;

28 (13) licensure as a security guard under AS 18.65.400 - 18.65.490;

29 (14) a concealed handgun permit under AS 18.65.700 - 18.65.790;

30 (15) licensure as an insurance producer, managing general agent,  
31 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines

1 broker, or independent adjuster under AS 21.27;

2 (16) serving and executing process issued by a court by a person  
3 designated under AS 22.20.130;

4 (17) a school bus driver license under AS 28.15.046;

5 (18) licensure as an operator or an instructor for a commercial driver  
6 training school under AS 28.17;

7 (19) registration as a broker-dealer, agent, investment adviser  
8 representative, or investment adviser under AS 45.56.300 - 45.56.350;

9 (20) licensure, license renewal, certification, certification renewal, or  
10 payment from the Department of Health and Social Services of an individual and an  
11 entity subject to the requirements for a criminal history check under AS 47.05.310,  
12 including

13 (A) a public home care provider described in AS 47.05.017;

14 (B) a provider of home and community-based waiver services  
15 financed under AS 47.07.030(c);

16 (C) a case manager to coordinate community mental health  
17 services under AS 47.30.530;

18 (D) an entity listed in AS 47.32.010(b), including an owner,  
19 officer, director, member, partner, employee, volunteer, or contractor of an  
20 entity; or

21 (E) an individual or entity not described in (A) - (D) of this  
22 paragraph that is required by statute or regulation to be licensed or certified by  
23 the Department of Health and Social Services or that is eligible to receive  
24 payments, in whole or in part, from the Department of Health and Social  
25 Services to provide for the health, safety, and welfare of persons who are  
26 served by the programs administered by the Department of Health and Social  
27 Services.

28 \* **Sec. 156.** AS 18.56.230(b) is amended to read:

29 (b) The corporation may not authorize the commercial use of space in a multi-  
30 unit residential housing development owned or financed by the corporation for

31 (1) a business that offers adult entertainment;

1 (2) the sale of alcoholic beverages, unless the sale [IS IN A  
2 RESTAURANT OR EATING PLACE LICENSED UNDER AS 04.11.100 OR] is in  
3 premises

4 **(A) licensed under a restaurant or eating place license**  
5 **issued by the Alcoholic Beverage Control Board under AS 04.09.210 or**  
6 **seasonal restaurant or eating place tourism license issued by the Alcoholic**  
7 **Beverage Control Board under AS 04.09.360; or**

8 **(B) covered by a restaurant endorsement issued**  
9 [DESIGNATED] by the Alcoholic Beverage Control Board **under**  
10 **AS 04.09.450** [AS A RESTAURANT UNDER AS 04.16.049];

11 (3) substance abuse treatment; or

12 (4) a business that primarily sells, transfers, or stores cigarettes or  
13 tobacco-related products.

14 \* **Sec. 157.** AS 18.65.085(c) is amended to read:

15 (c) The Department of Public Safety may establish and administer a reward  
16 program, and provide grants to municipalities, established villages, and, at the request  
17 of a municipality or established village, to a nonprofit association that administers a  
18 village public safety officer program, for reward programs leading to the apprehension  
19 and conviction of persons who violate **AS 04.09.060, 04.09.850, or** AS 04.11.010 by  
20 selling, importing, or possessing alcoholic beverages in violation of a local option  
21 adopted by a municipality or established village under AS 04.11.491.

22 \* **Sec. 158.** AS 18.80.230(b) is amended to read:

23 (b) Notwithstanding (a) of this section, a physical fitness facility may limit  
24 public accommodation to only males or only females to protect the privacy interests of  
25 its users. Public accommodation may be limited under this subsection only to those  
26 rooms in the facility that are primarily used for weight loss, aerobic, and other  
27 exercises, or for resistance weight training. Public accommodation may not be limited  
28 under this subsection to rooms in the facility primarily used for other purposes,  
29 including conference rooms, dining rooms, and premises licensed under **AS 04.09**  
30 [AS 04.11]. This subsection does not apply to swimming pools or golf courses.

31 \* **Sec. 159.** AS 43.60 is amended by adding a new section to read:

1                   **Sec. 43.60.060. Winery direct shipment tax; statement; audit.** A holder of a  
 2 winery direct shipment license under AS 04.09.370 who sells wine in the state or who  
 3 consigns shipments of wine into the state shall

- 4                   (1) be subject to the taxes provided under AS 43.60.010(a);  
 5                   (2) provide monthly statements and other information required under  
 6 AS 43.60.020 with the remittance of a tax collected under this section;  
 7                   (3) allow the Department of Revenue to perform an audit of the  
 8 holder's records upon request; and  
 9                   (4) consent to the jurisdiction of a state court concerning enforcement  
 10 of this section relating to the collection of taxes and other money owed by the holder,  
 11 including interest and penalties.

12 \* **Sec. 160.** AS 43.70.105(a) is amended to read:

- 13                   (a) This chapter does not apply to  
 14                   (1) a fisheries business;  
 15                   (2) the sale of liquor under a license issued under **AS 04.09**  
 16 **[AS 04.11]**;  
 17                   (3) an insurance business;  
 18                   (4) a mining business;  
 19                   (5) supplying services as an employee;  
 20                   (6) furnishing goods or services by a person who does not represent to  
 21 be regularly engaged in furnishing goods or services;  
 22                   (7) the activities of an investment club; in this paragraph,  
 23                   (A) "investment club" means a group of individuals,  
 24 incorporated or otherwise organized, that engages primarily in investing in  
 25 securities, that does not sell investment services to another person, that does  
 26 not advertise, and the primary purpose of which is educational;  
 27                   (B) "security" has the meaning given in AS 45.56.900.

28 \* **Sec. 161.** AS 45.45.590(1) is amended to read:

- 29                   (1) "business proprietor" means a person who owns a place of business  
 30 in which the public may assemble and in which copyrighted musical works may be  
 31 performed, broadcasted, or otherwise transmitted; in this paragraph, "place of

1 business" includes a store, professional office, sports facility, entertainment facility,  
 2 restaurant, hotel, or [AN] alcoholic beverage establishment licensed under **AS 04.09**  
 3 [AS 04.11];

4 \* **Sec. 162.** The uncodified law of the State of Alaska is amended by adding a new section  
 5 to read:

6 DIRECT COURT RULE AMENDMENT. Rule 17(h), Alaska Rules of Minor  
 7 Offense Procedure, is amended to read:

8 (h) **Joinder Limits.** A prosecutor may not join a violation of AS 04.16.049,  
 9 [OR] 04.16.050, **or 04.16.060(g)** or a similar municipal ordinance with a related  
 10 criminal charge.

11 \* **Sec. 163.** AS 04.11.070, 04.11.080, 04.11.090, 04.11.100, 04.11.110, 04.11.115,  
 12 04.11.120, 04.11.130, 04.11.135, 04.11.140, 04.11.150, 04.11.160, 04.11.170, 04.11.180,  
 13 04.11.200, 04.11.210, 04.11.220, 04.11.225, 04.11.230, 04.11.240, 04.11.250, 04.11.255,  
 14 04.11.400(d), 04.11.400(h), 04.11.400(j); AS 04.16.070, 04.16.100, 04.16.180(a),  
 15 04.16.180(d), 04.16.210; and AS 04.21.080(b)(3) are repealed.

16 \* **Sec. 164.** AS 04.11.400(e) and 04.11.400(g) are repealed.

17 \* **Sec. 165.** AS 04.09.270(f) is repealed January 1, 2029.

18 \* **Sec. 166.** The uncodified law of the State of Alaska is amended by adding a new section  
 19 to read:

20 APPLICABILITY. (a) The provisions of secs. 13 - 24, 34, 84 - 87, 89 - 134, 139 -  
 21 142, 144, and 152 - 154 of this Act apply to offenses committed on or after the effective date  
 22 of each of those respective sections.

23 (b) References to previous convictions in AS 04.11.270(a), as amended by sec. 27 of  
 24 this Act, AS 04.16.180(b), as amended by sec. 127 of this Act, AS 04.16.180(e), as amended  
 25 by sec. 128 of this Act, and AS 04.16.220(i), as amended by sec. 133 of this Act, apply to  
 26 convictions occurring before, on, or after the effective date of each of those respective  
 27 sections.

28 \* **Sec. 167.** The uncodified law of the State of Alaska is amended by adding a new section  
 29 to read:

30 TRANSITION: IMPLEMENTATION. Notwithstanding sec. 174 of this Act, to timely  
 31 provide for the issuance, renewal, and transfer of licenses, endorsements, and permits,

1 beginning on January 1, 2023, the Alcoholic Beverage Control Board may begin to implement  
 2 the changes that will be made under secs. 6, 7, 12, 13, 25, 27, 74, and 168 of this Act by  
 3 sending out notices relating to, accepting applications for, and collecting fees for licenses,  
 4 endorsements, and permits according to the changes that will be made when secs. 6, 7, 12, 13,  
 5 25, 27, 74, and 168 of this Act take effect. However, the Alcoholic Beverage Control Board  
 6 may not issue licenses, endorsements, and permits under secs. 6, 7, 12, 13, 25, 27, 74, and 168  
 7 of this Act before January 1, 2023.

8 \* **Sec. 168.** The uncodified law of the State of Alaska is amended by adding a new section  
 9 to read:

10 **TRANSITION: CONVERSION OF APPLICATIONS AND LICENSES. (a)**

11 Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic Beverage  
 12 Control Board shall convert, within 90 days after the effective date of this subsection,

13 (1) a license issued or renewed as necessary for the public convenience under  
 14 former AS 04.11.400(e) or 04.11.400(g), repealed by sec. 164 of this Act, into a restaurant or  
 15 eating place license under AS 04.11.100; if the license was issued as a restaurant or eating  
 16 place license, or into a beverage dispensary license under AS 04.11.090, if the license was  
 17 issued as a beverage dispensary license under former AS 04.11.400(j), as that subsection read  
 18 on June 5, 1985;

19 (2) an application submitted to the board that meets all of the requirements  
 20 under former AS 04.11.400(e) or 04.11.400(g), repealed by sec. 164 of this Act, into an  
 21 application for a restaurant or eating place license under AS 04.11.100.

22 (b) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic  
 23 Beverage Control Board shall convert, within 90 days after the effective date of this  
 24 subsection,

25 (1) a license issued or renewed as a bottling works license under former  
 26 AS 04.11.120, repealed by sec. 163 of this Act, into a brewery manufacturer license under  
 27 AS 04.09.020, added by sec. 13 of this Act, or into a winery manufacturer license under  
 28 AS 04.09.030, added by sec. 13 of this Act;

29 (2) a license issued or renewed as a brewpub license under former  
 30 AS 04.11.135, repealed by sec. 163 of this Act, into a brewery manufacturer license under  
 31 AS 04.09.020, added by sec. 13 of this Act;

1 (3) a license issued or renewed as a beverage dispensary license or restaurant  
2 or eating place license for a premises that is a theater under former AS 04.11.090 or  
3 AS 04.11.100, repealed by sec. 163 of this Act, into a theater license under AS 04.09.250,  
4 added by sec. 13 of this Act;

5 (4) a license issued or renewed as a wholesale license under former  
6 AS 04.11.160(a), repealed by sec. 163 of this Act, into a general wholesale license under  
7 AS 04.09.100, added by sec. 13 of this Act;

8 (5) a license issued or renewed as a wholesale license under former  
9 AS 04.11.160(b), repealed by sec. 163 of this Act, into a limited wholesale brewed beverage  
10 and wine license under AS 04.09.110, added by sec. 13 of this Act;

11 (6) a license issued or renewed as a beverage dispensary license under former  
12 AS 04.11.400(d), repealed by sec. 163 of this Act, into a beverage dispensary tourism license  
13 under AS 04.09.350, added by sec. 13 of this Act;

14 (7) a duplicate license issued or renewed as a duplicate beverage dispensary  
15 license under former AS 04.11.090(e), repealed by sec. 163 of this Act, into a multiple fixed  
16 counter endorsement under AS 04.09.420, added by sec. 13 of this Act.

17 (c) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic  
18 Beverage Control Board shall, upon application by the licensee, convert a license issued or  
19 renewed as a recreational site license under former AS 04.11.210, repealed by sec. 163 of this  
20 Act, into a sporting activity or event license under AS 04.09.270, added by sec. 13 of this Act,  
21 or another applicable license under AS 04.09.

22 (d) Notwithstanding the population limits under AS 04.11.400(a) or (b), the Alcoholic  
23 Beverage Control Board may

24 (1) convert a license issued or renewed as a brewery license under former  
25 AS 04.11.130, repealed by sec. 163 of this Act, into a brewery manufacturer license under  
26 AS 04.09.020, added by sec. 13 of this Act, and a brewery retail license under AS 04.09.320,  
27 added by sec. 13 of this Act, upon application by the licensee;

28 (2) convert an application submitted to the board that meets all of the  
29 requirements under former AS 04.11.130, repealed by sec. 163 of this Act, into an application  
30 for a brewery manufacturer license under AS 04.09.020, added by sec. 13 of this Act, and a  
31 brewery retail license under AS 04.09.320, added by sec. 13 of this Act;

1           (3) issue a brewery manufacturer license under AS 04.09.020, added by sec.  
2 13 of this Act, and a brewery retail license under AS 04.09.320, added by sec. 13 of this Act,  
3 to an applicant who submits an application to the board under former AS 04.11.130, repealed  
4 by sec. 163 of this Act, if the board converts the application under (2) of this subsection;

5           (4) convert a license issued or renewed as a winery license under former  
6 AS 04.11.140, repealed by sec. 163 of this Act, into a winery manufacturer license under  
7 AS 04.09.030, added by sec. 13 of this Act, and a winery retail license under AS 04.09.330,  
8 added by sec. 13 of this Act, upon application by the licensee;

9           (5) convert an application submitted to the board that meets all of the  
10 requirements under former AS 04.11.140, repealed by sec. 163 of this Act, into an application  
11 for a winery manufacturer license under AS 04.09.030, added by sec. 13 of this Act, and a  
12 winery retail license under AS 04.09.330, added by sec. 13 of this Act;

13           (6) issue a winery manufacturer license under AS 04.09.030, added by sec. 13  
14 of this Act, and a winery retail license under AS 04.09.330, added by sec. 13 of this Act, to an  
15 applicant who submits an application to the board under former AS 04.11.140, repealed by  
16 sec. 163 of this Act, if the board converts the application under (5) of this subsection;

17           (7) convert a license issued or renewed as a distillery license under former  
18 AS 04.11.170, repealed by sec. 163 of this Act, into a distillery manufacturer license under  
19 AS 04.09.040, added by sec. 13 of this Act, and a distillery retail license under AS 04.09.340,  
20 added by sec. 13 of this Act, upon application by the licensee;

21           (8) convert an application submitted to the board that meets all of the  
22 requirements under former AS 04.11.170, repealed by sec. 163 of this Act, into an application  
23 for a distillery manufacturer license under AS 04.09.040, added by sec. 13 of this Act, and a  
24 distillery retail license under AS 04.09.340, added by sec. 13 of this Act;

25           (9) issue a distillery manufacturer license under AS 04.09.040, added by sec.  
26 13 of this Act, and a distillery retail license under AS 04.09.340, added by sec. 13 of this Act,  
27 to an applicant who submits an application to the board under former AS 04.11.170, repealed  
28 by sec. 163 of this Act, if the board converts the application under (8) of this subsection;

29           (10) establish an application form and procedure for conversion applications  
30 under this subsection.

31       \* **Sec. 169.** The uncodified law of the State of Alaska is amended by adding a new section

1 to read:

2 TRANSITION: SEASONAL RESTAURANT OR EATING PLACE LICENSE. (a)  
3 Notwithstanding AS 04.11.080, the Alcoholic Beverage Control Board may issue a seasonal  
4 restaurant or eating place tourism license to a person who files an application under  
5 AS 04.11.260.

6 (b) A seasonal restaurant or eating place license authorizes a restaurant or eating place  
7 to sell brewed beverages and wine for consumption only on the licensed premises for a period  
8 not to exceed six months in each calendar year.

9 (c) The biennial seasonal restaurant or eating place tourism license fee is \$1,250.

10 (d) The board may issue a license under this section only if

11 (1) the board determines that the licensed premises is a bona fide restaurant or  
12 eating place; and

13 (2) the sale and service of food and alcoholic beverages and any other  
14 business conducted on the licensed premises of the restaurant or eating place is under the sole  
15 control of the licensee.

16 (e) The board may issue a license under this section only in a municipality or  
17 established village that

18 (1) has a population of 40,000 or less; and

19 (2) receives more than 4,000 visitors a year, as determined by the board in  
20 regulation.

21 (f) The board may issue a license or approve an application for the transfer of  
22 ownership of a license under this section if it appears that issuance or transfer will encourage  
23 the tourism trade.

24 (g) The holder of a seasonal restaurant or eating place tourism license shall ensure  
25 that gross receipts from the sale of food for consumption on the licensed premises are not less  
26 than the total amount of the gross receipts from the sale of alcoholic beverages for  
27 consumption on the licensed premises in each calendar year.

28 (h) The board shall adopt a regulation establishing a formula to limit the number of  
29 seasonal restaurant or eating place tourism licenses.

30 (i) The holder of a seasonal restaurant or eating place tourism license may provide  
31 entertainment on or adjacent to the licensed premises only between the hours of 11:00 a.m.

1 and 11:00 p.m. unless additional hours are approved by the director upon the written request  
2 of the licensee for a specific occasion. The director may not grant approval for additional  
3 hours of entertainment on or adjacent to the licensed premises of an individual licensee more  
4 than three times in a calendar year. In this subsection, "entertainment" includes dancing,  
5 karaoke, live performances, or similar activities, but does not include recorded or broadcast  
6 performances without live participation.

7 (j) A license issued under this section may be renewed under AS 04.09.360, added by  
8 sec. 13 of this Act, on or after the effective date of sec. 13 of this Act.

9 (k) In this section, "bona fide restaurant" means an establishment or a portion of an  
10 establishment where, during all times alcoholic beverages are served or consumed,

11 (1) the patron's principal activity is consumption of food; and

12 (2) a variety of types of food items appropriate for meals is prepared on site  
13 and available for sale as shown on a menu provided to patrons and filed with the board.

14 \* **Sec. 170.** The uncodified law of the State of Alaska is amended by adding a new section  
15 to read:

16 **TRANSITION: REGULATIONS.** The Department of Commerce, Community, and  
17 Economic Development and the Alcoholic Beverage Control Board may adopt regulations  
18 necessary to implement the changes made by this Act. The regulations take effect under  
19 AS 44.62 (Administrative Procedure Act), but not before the effective date of the law  
20 implemented by the regulation.

21 \* **Sec. 171.** Sections 168(a) and 169 of this Act are repealed January 1, 2023.

22 \* **Sec. 172.** Sections 36, 41, 43, 49, 53, 58, 164, 168(a), 168(d)(8), 169, and 170 of this Act  
23 take effect immediately under AS 01.10.070(c).

24 \* **Sec. 173.** Section 167 of this Act takes effect September 1, 2022.

25 \* **Sec. 174.** Except as provided in secs. 172 and 173 of this Act, this Act takes effect  
26 January 1, 2023.