



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
ALCOHOL & MARIJUANA CONTROL OFFICE

AAMC

UPCOMING CHANGES TO AS TITLE 4

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Local Government Spec.

12/5/2023



Discussion topics

- AMCO updates/ current statistics
- Brief history of alcohol in Alaska
- Changes to Title 4:
 - New license types
 - Endorsements
 - Population limits
 - Local governments petitioning for additional REPLs
- Local Options
- Revenue sharing alcohol licensing fees with municipalities



AMCO Updates

- New Title 4 and accompanying regulations become effective 1/1/24
- Alaska Statute 4 (*AS 04 or Title 4*)
- 3 AAC has been amended to repeal chapter 304 and replace with 305 (*3 AAC 305*)



AMCO Updates

- **Regulations:**
 - ABC board, AMCO staff, and industry stakeholders have rewritten regulations and will be found in 3 AAC 305
 - 8 out of 9 articles of regulation have been approved by board and Lt. Governor and will be effective 1/1/24



AMCO Updates

- **New online licensing system:**
 - State of Alaska has contracted Gov2Biz to develop an online system for alcohol and marijuana licensees
 - AK-ACCIS went live in September 2023
 - Portal for licensees (not local governments)

**State of Alaska Selects Gov2Biz
to Transform Alcohol and
Marijuana Licensing &
Enforcement**





AMCO Stats

- Alcoholic beverage licenses: **1,826**
- Recreational Marijuana licenses: **501**



AMCO Stats

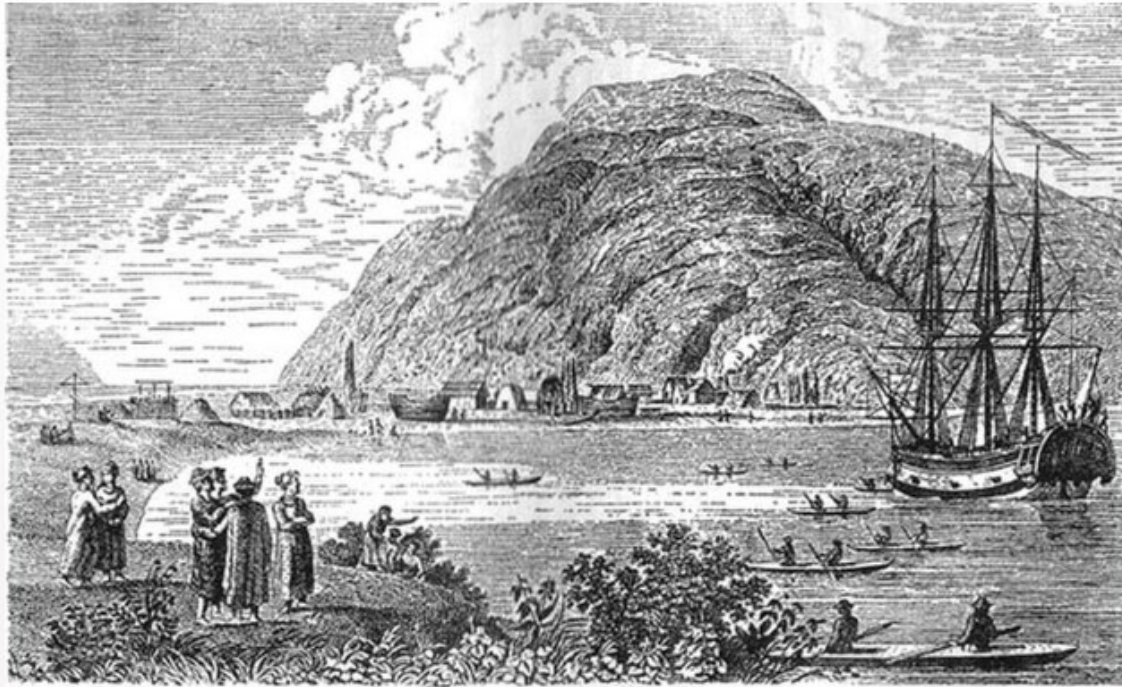
Alcoholic Beverage Licenses:

- 1,826 total
 - 584 BDL
 - 379 Package Stores
 - 75 Club licenses
 - 68 Brewery/Brewpub*/Bottling Works*
 - 358 REPL
 - 10 other current license types

Recreational Marijuana Licenses:

- 501 total
 - 183 Retail Stores
 - 253 Standard or Limited Cultivation Facilities
 - 40 Product Mnfr. Facilities
 - 23 Concentrate Mnfr. Facilities
 - 2 Testing Facilities





Lithograph of Grigory Shelekhov's settlement in Three Saints Bay (Photo: Wikimedia)



IN Matter of Application of *W J Egan*
For a *Bar Room* License.

And now on this *1st* day of *July* A. D. 1900
on presentation of the application of *W J Egan* for a license to
engage in the business of *Bar Room* and the Court having
heard the same read and being satisfied that it conforms to the requirements of the act of Congress
in this behalf. It is ordered by the Court that license *do*
issue to the said *W J Egan* as prayed for upon payment of the sum required by law.

W C Brown Judge.

JUDGE





Why did Title 4 need to be rewritten?

- Last significant update to Title 4 was in 1980
- In many ways it was considered outdated, confusing or otherwise ineffective
- Stakeholders from across the state representing the alcohol industry, public health, local governments, law enforcement, public safety, education, and community advocacy sectors crafted recommendations to legislature



Goals of the Title 4 Rewrite

- Create rational regulation for all tiers of the state's alcohol industry
- Limit youth access to alcohol while ensuring youth are not criminalized
- Promote responsible alcohol use and reduce the harms of overconsumption
- Increase swiftness, proportionality, and consistency of penalties
- Increase local law enforcement of Title 4
- Increase licensee accountability before the ABC board for Title 4 violations



Upcoming changes and highlights

1. Some changes have already taken place:

- Public convenience licenses have been replaced with REPLs
- Local Governments who qualify may request additional REPLs

2. Effective January 1, 2024:

- Endorsements go into effect (for both existing and new privileges)
- Reorganized licensing system and new fees
- New penalty structure for minor offenses
- Regulating internet sales and direct shipping



Licenses, Endorsements, Permits

Defining Terms:

- **License:** A license defines activities allowed daily on licensed premises. License type is a general category of license activity based on a three-tier system of alcohol regulation: manufacturer, wholesale, and retail.
- **Endorsement:** An endorsement expands the boundaries of a licensed premises or the authorized activities of a licensed business
- **Permit:** A permit allows catering and serving activities for a specific period of time on a single specified premises and allows an eligible nonprofit organization to host a fundraising or not-for-profit event.



Alcohol Licenses

License types going away 1/1/24:

- Bottling Works; Brewpub; Brewery; Distillery; Winery; Public Convenience; Duplicate Beverage Dispensary; Retail stock sale license

New license types available 1/1/24:

- Brewery Manufacturer; Distillery Manufacturer; Winery Manufacturer; Brewery Retail; Distillery Retail; Winery Retail; Manufacturer Direct Shipping



Automatic conversions of licenses

- Bottling Works or Brewpub licenses > brewery or winery manufacturer
 - BDL or REPL that is a theater > Theater License
 - Wholesale license > either a General Wholesale or Limited Wholesale Brewed Bev. & Wine
 - Duplicate BDL > Multiple Fixed Counter Endorsement
 - Brewery/ Winery/ Distillery > Brewery/ Winery/ Distillery Manufacturer
- however...*
- They must apply for the Brewery/ Winery/ Distillery Retail license



Conversions of licenses **upon application**

- Recreational Site License > Sporting Activity or Event License
upon application
- Restaurant Designation Permit > Restaurant Endorsement
upon application



Endorsements

Add endorsements to existing licenses, giving businesses flexibility in how to operate, without creating more specific license types.



BASE LICENSE

ENDORSEMENTS

Expanded activities and/or premises to fit business model

Endorsements will allow sampling on premises, multiple bar rooms, deliveries by package stores, etc.



Endorsements

- Manufacturer Sampling Endorsement
- Multiple Fixed Counter Endorsement *
- Hotel or Motel Endorsement
- Large Resort Endorsement
- Restaurant Endorsement
- Brewery Repackaging Endorsement
- PS Shipping Endorsement
- PS Delivery Endorsement
- PS Repackaging Endorsement
- PS Sampling Endorsement
- Bowling Alley Endorsement
- Golf Course Endorsement

** automatic conversion*



Endorsements

- An endorsement is valid only in conjunction with a license. An endorsement may be transferred to another person only if the license for which the endorsement was issued is also transferred to that person
- An endorsement expires if the licensed premises are relocated, the license expires, or the license is revoked



Endorsements

- AS 04.09.420 – Multiple Fixed Counter Endorsement
 - *... authorizes the holder of a BDL or BDL-Tourism to sell or serve alcoholic beverages on the licensed premises from multiple fixed counters.*
 - Only necessary if a duplicate license was required
 - This endorsement replaces the Duplicate Beverage Dispensary license



Endorsements

- AS 04.09.410 – Manufacturer Sampling Endorsement
 - *... authorizes the holder of a brewery/ winery/ or distillery manufacturer license to offer for consumption on the licensed premises at no charge a small sample of an alcoholic beverage produced by the manufacturer.*
 - Brewery Manufacturer
 - 12 oz. of beer
 - 6 oz. of sake
 - Winery Manufacturer
 - 6 oz. of wine
 - 12 oz. of mead/ cider
 - Distillery Manufacturer
 - 1.5 oz. (may include n/a mixer)



Endorsements

- AS 04.09.430 – Hotel or Motel Endorsement
 - *... authorizes the holder of a BDL or BDL-Tourism that is a hotel, motel, resort, or similar business that caters to the travelling public as a substantial part of its business to sell or serve alcoholic beverages on the licensed premises, including in a dining room, banquet room, and other public areas approved by the board, and in guest rooms.*



Endorsements

- AS 04.09.450 – Restaurant Endorsement
 - ... authorizes the holder of a *BDL, fair license, golf course license, sporting activity or event license, club license, outdoor recreation lodge license, destination resort license, or BDL-Tourism* to allow a person under 21 years of age access to the premises of a bona fide restaurant
 - The board may issue an endorsement only if they find:
 - the establishment is a bona fide restaurant
 - There is supervision on the premises adequate to reasonably ensure that a person under 21 will not obtain alcoholic beverages
 - Endorsement allows a person who is at least 16 but under 21 to enter and remain on premises for dining only



Endorsements

- AS 04.09.460 – Package Store Shipping Endorsement
 - ... *authorizes the package store licensee to sell alcoholic beverages to a person who makes a written or electronic order for shipment*
 - Shipment may go only to the purchaser's residential address or to an authorized community delivery site (*where applicable*)



Endorsements

- AS 04.09.470 – Package Store Delivery Endorsement
 - *... authorizes the package store licensee to deliver alcoholic beverages to the location of a “social event”*
 - Social event means a private, by-invitation-only event, such as a wedding, memorial, graduation, or holiday celebration
 - Endorsement holder may deliver only in response to an order and may deliver only to a responsible adult, who must provide identification and acknowledge receipt in writing



Endorsements

- AS 04.09.470 – Package Store Delivery Endorsement
Continued
- Regulatory requirements in 3 AAC 305.340(c):
 - Delivery must be between 8 am and 5 pm
 - Order must be written or electronic and receipt of delivery must be kept for one year
 - Delivery must be by a person who has successfully completed server education
 - Delivery must be at least 48 hours from receipt of payment



Endorsements

- AS 04.09.490 – Package Store Sampling Endorsement
 - ... authorizes the holder to offer for consumption on the licensed premises at no charge a small sample of an alcoholic beverage from its inventory during a package store's stated hours of business, but not between midnight and 8 am.
 - Endorsement holder may not publicly advertise sampling activities
 - Volume limits:
 - 12 oz. of brewed beverages, mead, or cider (if the mead/cider contains *less* than 8.5% alcohol by volume)
 - 6 oz. of wine, sake, mead, or cider (if the mead/cider contains *more* than 8.5% alcohol by volume)
 - 1.5 oz. of distilled spirits



Local Government Protest

Did anything change in regards to Local Governments and their ability to protest?

- No – AS 04.11.480 (Protest) has very few changes
- Applications for endorsements for new activities or expansion of premises will have the normal 60-day protest period
- **AMCO notifications for license applications are going to look different going forward**



Population Limits for Alcohol licensed premises

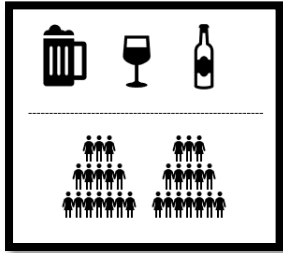
AS 04.11.400 & 3 AAC 305.900

Community populations determine how many of each license type may be issued

- This does not apply to tourism, manufacturer's, wholesale, outdoor rec, destination resort licenses, and a few others



Population Limits for Alcohol licensed premises



= 1 : 3,000 residents



= 1 : 1,500 residents

- BDLs, Club lic., Package Stores, and most others are 1 per 3,000 residents
- Restaurants are 1 per 1,500 residents
- Some licenses are exempt from population limits: bars located in hotels, airports (BDL-Tourism), and licenses that serve tourists (Seasonal REPL Tourism)



Population Limits for Alcohol licensed premises



= 1 : 9,000 residents

- New licenses; new ratios
- No more than one brewery retail, one winery retail, and one distillery license for each 9,000 population



Local Governments Petitioning for more REPLs

AS 04.11.405 – Petition for additional REPLs for certain local governing bodies

Additional Restaurant or Eating Place Licenses may be issued by the board if the first-class, home rule, or unified municipality

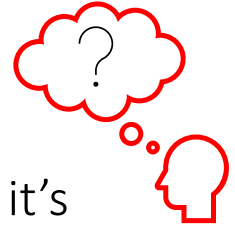
- serves as a center for commercial activity within and outside its boundary by providing goods and services to a pop. greater than the permanent resident population;
- maintains a local law enforcement department;
- Exercises planning or land-use authority; and
- Meets or exceeds the maximum limit for REPLs



Local Governments Petitioning for more REPLs

AS 04.11.405 – Petition for additional REPLs for certain local governing bodies cont'd.

How?



- Municipality may submit a resolution to the board, adopted by it's legislative body, petitioning the board under AS 04.11.405
- Resolution must prove to the board that all conditions in statute have been met (*subsection (c)*), and that the issuance of licenses are in the public interest
- Board holds public hearing when considering resolution



Local Governments Petitioning for more REPLs

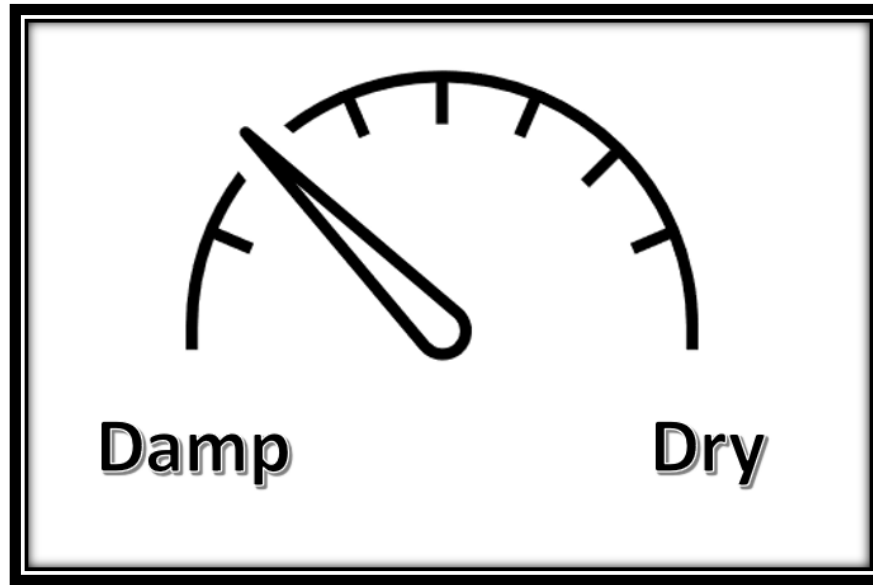
AS 04.11.405 – Petition for additional REPLs for certain local governing bodies cont'd.

If the board grants a petition for additional REPL's, the board may not authorize additional REPL's, to the same municipality under this section for the following year.



Explaining Alcohol Local Options (AS 04.11.491)

Local Options





Explaining Alcohol Local Options (AS 04.11.491)

A municipality can adopt a local option to prohibit alcohol by one of the following ways:

- PROHIBIT:
 - The sale of alcoholic beverages (*public can still import and possess*)
 - *Ex: Unalakleet; Utqiagvik; Saint Mary's; Holy Cross – 22 communities*
 - The sale of alcoholic beverages EXCEPT by various licensees (*REPL; PS; etc.*)
 - *Ex: Bethel REPLs; Port Protection PS – 6 communities*



Explaining Alcohol Local Options (AS 04.11.491)

A municipality can adopt a local option to prohibit alcohol by one of the following ways:

- PROHIBIT:
 - The sale of alcoholic beverages EXCEPT on premises operated by the municipality
 - Ex: Emmonak; Kotzebue (with distribution center) – 10 communities
 - The sale and importation of alcoholic beverages (public can still possess)
 - Ex: Hooper Bay; Noatak; Shishmaref – 41 communities
 - The sale, importation, and possession of alcoholic beverages
 - Ex: Gambell; Brevig Mission; Gulkana*; Tanacross* – 30 communities



Alcoholic Beverage Control Board

550 W 7th Ave Suite 1600
Anchorage AK 99501

Joan M. Wilson, Director
907-269-0351

Schedule of Local Option Communities (as of 6/5/2023)

This list is based on the most accurate information in our records. Please let us know if you feel there is an inaccuracy

City	Zip Code	Sale by Specific Type of License Only					Effective Date	Limitations
		Ban Sale	Sale by Municipality Operated License Only	Ban Sale and Importation	Ban Sale, Importation & Possession			
Akiak	99552	•					9/22/2021	
Akiachak*	99551					•	10/22/2001	
Alakanuk	99554					•	3/1/1990	
Aleknagik	99555		•				7/1/2011	Outdoor Recreation Lodge License Only
Allakaket	99720					•	8/17/1989	
Ambler	99786				•		1/1/1982	
Anvik	99558	•					2/1/2002	
Anaktuvuk Pass	99721					•	1/1/1987	
Angoon	99820	•					2/1/2013	
Atmautluak*	99559				•		5/1/1982	
Atkasuk	99791					•	6/30/2003	
Beaver*	99724					•	8/1/2004	
Bethel	99559		•				10/8/2019	Restaurant/Eating Place License Only
Birch Creek*	99740					•	11/1/1987	
Brevig Mission	99785					•	5/3/1999	
Buckland	99727					•	6/1/1982	
Chalkyitsik*	99788					•	8/1/1982	
Cheformak	99561					•	11/1/1982	
Chevak	99563					•	11/1/1990	
Deering	99736					•	7/1/1982	
Diomede	99762					•	10/1/1981	
Eek	99578					•	12/1/1982	
Elim	99739					•	9/1/1981	
Emmonak	99581			•			10/14/2016	Package Store
False Pass	99583		•				11/1/2001	Package Store



Revenue Sharing of Alcohol Licensing Fees

AS 04.11.610

- Biennial alcohol license fees collected on premises within a municipality shall be refunded semi-annually back to the municipality (*excluding wholesale license fees*)
- Allocations may be denied “*if officers of a municipality fail to actively enforce local ordinances, Title 4, laws of the United States and the state, and the regulations relating to the manufacture and sale of alcoholic beverages in the state, or fail to provide the director with a report of contacts with licensed establishments, educational activities concerning this title and local ordinances, and violations of this title occurring in the municipality, at the time and in the format as may be required by regulation adopted by the board...*” (AS 04.11.610(b))



Revenue Sharing of Alcohol Licensing Fees

AS 04.11.610

- In order to qualify for refunds, municipality must submit Municipal Quarterly Reports to AMCO
- Allocations are authorized by AMCO Director on a semi-annual basis (January & July)
- Once the quarterly report is approved, Department of Revenue disperses the funds to municipal governments
- The legislative intent of these funds are to enforce Title 4 and related laws/ ordinances



Department of Commerce, Community, and Economic Development Alcohol & Marijuana Control Office – Enforcement Unit
 550 W 7th Avenue, Suite 1600, Anchorage, AK 99501
 Tel: (907) 269-0350 / Email: amco.localgovernmentonly@alaska.gov
QUARTERLY REPORT OF TITLE 4 AND RELATED VIOLATIONS WITHIN MUNICIPALITIES (AS 04.11.610)

MUNICIPALITY/ AGENCY: [REDACTED] DATE: [REDACTED]

REPORTING YEAR/ QUARTER: [REDACTED] COMPLETED BY: [REDACTED] EMAIL: [REDACTED]

	STATUTE	Inspection/ Investigation	Verbal Warning	Written Notice or Warning	Summons, Citations, or Complaint	Arrest	Comments particular to action or actions taken
1.	AS 04.11.010 – Sale without a license						
2.	AS 04.16.010 – Hours of sale & presence (closing hours)						
3.	AS 04.16.015 – Pricing & marketing						
4.	AS 04.16.020 – Solicitation; purchase on behalf of another						
5.	AS 04.16.025 – Illegal Presence on premises (local ord)						
6.	AS 04.16.030 – Licensee allows drunk on licensed premises						
7.	AS 04.16.040 – Drunk on licensed premises						
8.	AS 04.16.045 – Consumption on premises in violation						
9.	AS 04.16.047 – Alcohol restricted person-purchase/ consume						
10.	AS 04.16.049 – Underage person on premises						
11.	AS 04.16.050 – Minor consuming/possession						
12.	AS 04.16.051 – Furnishing alcohol to minor						
13.	AS 04.16.052 – Licensee furnishing alcohol to minor						
14.	AS 04.11.057 – Minor possessing in dwelling						
15.	AS 04.16.059 – Purchase by sex offender						
16.	AS 04.16.060 – Purchase by/delivery to minor						
17.	AS 04.16.080 – Sale/consumption at school event						



Title 4 Enforcement Reporting

	STATUTE	Inspection/ Investigation	Verbal Warning	Written Notice or Warning	Summons, Citations, or Complaint	Arrest	Comments particular to action or actions taken
18.	AS 04.16.090 – Unauthorized Bottle Club						
19.	AS 04.16.120 – Removal/intro of alcoholic beverages						
20.	AS 04.16.130 – Stock not confined to licensed premises						
21.	AS 04.16.160 – Restriction on purchasing alcohol						
22.	AS 04.16.172 – Restriction on purchase and sale						
23.	AS 04.16.175 – Furnishing in aid of gambling						
24.	AS 04.21.012 – Keg Registration						
25.	AS 04.21.025 – Lack of alcohol server education course						
26.	AS 04.21.065 – Lack of or improper posting of warning signs						
27.	LOCAL ORDINANCES on Manufacture or Sale of Alcoholic Beverages:						
	LOCAL ORDINANCES on Manufacture or Sale of Alcoholic Beverages:						
28.	Bar Checks/ Security Checks at licensed premises:						
29.	Alcohol related traffic stops or incidents:						
30.	Street Patrols following bar break						
32.	Responses to AMCO regarding its enforcement efforts, including premises inspections						
33.	Youth or Other Education Programs Regarding Alcoholic Beverage Use						
34.	OTHER – SPECIFY						

- Use additional sheets if necessary
- Please include copies of police reports of incidents occurring on or involving an alcoholic beverage licensed premises
- PLEASE SUBMIT COMPLETED REPORTS TO AMCO BY EMAIL AT: amco.localgovernmentonly@alaska.gov
- Contact us anytime with questions, for assistance, or to request copies of the required warning signs to be sent to licensees

STATE OF ALASKA FISCAL YEAR CALENDAR:

1 JULY - 30 SEPTEMBER: 1ST QUARTER
 1 OCTOBER - 31 DECEMBER: 2ND QUARTER
 1 JANUARY - 31 MARCH: 3RD QUARTER
 1 APRIL - 30 JUNE: 4TH QUARTER

Signature & Title of Certifying Official:



Revenue Sharing of Alcohol Licensing Fees

Quarterly reporting form can be found at AMCO website (fillable pdf):

- <https://www.commerce.alaska.gov/web/amco/SharedRevenue.aspx>
- Quarterly report should be submitted via email to:
 - amco.localgovernmentonly@alaska.gov



The sale of alcohol on Election day

AS 04.16.070 - Sales on election day

REPEALED: Section 164 of SB9 EFFECTIVE 1/1/24

AS 04.16.070 Sales on election day

(a) A person may not sell, barter, give, consume, or dispose of alcoholic beverages within licensed premises

(1) in the state on a day on which a statewide special, primary, or general election is held for the purpose of voting for a candidate for public office, until the polls have closed

(2) in a muni. On a day on which a local election or an election is held for the purpose of voting for a candidate for public office, until the polls are closed.

(b) The governing body of a municipality may provide by ordinance that the provisions of this section do not apply in a municipality



Closing thoughts

- Conversion and new application timeline is moving very quickly
- Keep in mind that most notifications from AMCO will be “conversions” and not applications for new activities or new premises
- ... notifications will look different
- We ask for your patience during this transition
- We’re all in this together 😊



Questions?

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Alcohol and Marijuana Control Office (AMCO)

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(907) 334-2195

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