



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

**Department of Commerce,
Community, and Economic
Development**

ALCOHOL AND MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

MEMORANDUM

TO: The Alcoholic Beverage Control Board

DATE: May 18, 2023

FROM: Joan M. Wilson

RE: Director's Report

Introduction

This report details AMCO activities from the last regular meeting of the ABC Board on March 3, 2023, to the present.

As you will see, the office has been very busy, and we have much planned for the future.

Licensing

The AMCO office has long been grappling with vacancies, but I am happy to report that our administration and licensing team are now fully staffed. We are pleased to have Bryce Johnson, Tricia Gilliland, and Sonya Irwin join our current team of Maya Ali, Annaruth Wood, Donavan Bennett-Smith, Sam Carrell, Audrey Saylor, Regina Cruz, and Carrie Craig.

Kristina Serezhenkov has recently been promoted to Regulations Specialist and we have brought on a short-term employee, Mary Stallone, to assist with our application backlog. In addition, our Title 4 Rewrite Program Manager, Janyce Ibele, has jumped into the void to help.

Due to the busy season as well as our office vacancies, the applications queue for our alcoholic beverage licensing is much longer than previously experienced. Despite the backlog, each applicant in the queue has been contacted. While their applications are not yet deemed complete, some applicants have willingly agreed to allow their license application to be reviewed by this Board in August rather than June.

If feasible, we are hoping to bring additional applications before you in late June, should the Board agree to meet again on Title 4 Rewrite regulations. This is a team effort; with our new licensing examiners focusing on alcoholic beverage licenses, I expect a shorter “wait period” for the customers we serve.

You will note a new heading on the agenda for licenses in “delegated” status. These are license applications you have approved but are awaiting an action by the applicants before the licenses can become effective. We are presenting the applications, once again, that have been in delegated status for over a year. This is important, as these applicants might be in danger of forfeiting grandfather rights if the licenses are not effective prior to December 31, 2023. We will continue to reach out to these applicants and to shorten this list. AMCO is not requesting Board action, but placing these applications back on the agenda might provide the applicants with the ability to explain their delays.

Enforcement

Chief Hoelscher and Investigator Johnson will update the Board on new developments with the Enforcement Unit. Their work has been stellar.

Title 4 Rewrite Developments

Implementation of the Title 4 Rewrite remains a primary focus of AMCO staff.

Gov2Biz Online Licensing system: Our new licensing system, AK-ACIS, is in development. Gov2Biz will hold a ten-day immersion session with licensing examiners in June to test the new program. We intend to reach out to a selection of licensees in June to test the applicant portal.

Regulations: To date, this Board has reviewed five of the nine articles of the Title 4 Rewrite regulations. It will address three more at this meeting, including hearing public input. Regulations particular to trade practices prohibitions will be ready for initial consideration.

The Department of Law has requested this Board provide all articles, to them, by July 2023 so that they can conduct their initial review. We are well on the way to achieving that goal. If trade practices are not complete at that time, I will work with the Department of Law to develop a separate timeline for this subset of regulations.

Training: We continue to provide training, to licensees, on the changes to the Title 4 Rewrite. Since the Board’s last meeting, we have met with:

- The City of Wasilla
- Municipality of Anchorage
- Paralegal Association
- Midtown Community Council
- The Wholesaler’s Association
- The Brown Jug ownership group
- SHE Conference: Women in Hospitality

Another training will follow on May 30, 2023. Beginning in June, AMCO is offering weekly, one-hour training to each license type (Wednesday at One for One). Our first session is scheduled for package stores on June 7, 2023. Local Government Specialist Gonzales is reaching out to larger municipalities in the State to discuss the Title 4 Rewrite and our revised quarterly reports. We have [written](#) the licensees to explain our training plan and to update them with other developments.

This letter has been distributed (solely) electronically; we are also developing a plan for reaching out to licensees who desire to solely communicate by paper and/or phone, despite the new statutory requirement that applicants provide an electronic mail address. AS 04.11.260(a).

Local Government Education and Outreach

As this Board is aware, the last audit from the Legislative Budget and Audit Committee offered a finding that AMCO's shared revenues operations were deficient. AMCO has already reformed its practices and refunds only go to municipalities that have filed their quarterly reports.

Next, we are focusing on what it means to "actively enforce" Title 4 and how to better capture municipal activities that serve this function. Local Government Specialist Gonzales will provide a brief presentation on the new form (attached) and on outreach to local governments regarding this form.

Potential Regulatory Projects

This Board is focusing on the Title 4 Rewrite regulations. As part of that project, I suggest the Board might consider addressing through regulations:

- Application Fees for AB-38 (Offsite Warehouse/Storage Application)
- Application Fee for AB-39 (change of officers)
- Refunds policy

In addition, AMCO is seeking solution/regulatory projects for for-hire motorized vehicles (limousines/party buses) and party bikes/electrical vehicles operating in Anchorage, Alaska, and possibly elsewhere. Currently, these activities are uncaptured and do not appear to be adequately addressed by the Title 4 Rewrite. AMCO is treating each of these vehicles equally until a solution can be found, short of filing notices of violations and cease and desist orders.

FY 2024 Proposed Budget

As of this writing, the Governor’s proposed Fiscal Year 2024 budget for AMCO has not changed. If approved, the expected operating budget is \$4,469,600.

Budget request increases are as follows.

FY2024 Operating Budget Changes	Amount (\$)	Funding Source	Impacts
Replace critical office equipment	+\$20,000.00	1005 GF Program Receipts (DGF)	Replace aging copier and add scanners to advance electronic file retention.
Training from national alcohol and cannabis regulatory organizations	+20,000.00	1005 GF Program Receipts (DGF)	Industry-standard training and information sharing to ensure Alaska’s alcohol and marijuana regulation and oversight is appropriate, efficient, and on-pace with current industry activity.
Year 2 Fiscal Note for SB9 Alcohol Regulation	+\$175,200.00 +1 PFT	1005 GF Program Receipts (DGF)	Continued implementation of the SB9 (2022’s Title 4 rewrite), including one Special Investigator position.
Total FY2024 Operating Budget Changes		+\$21,200.00 +1 PFT	

With FY 2024 in place, AMCO’s next focus is for FY 2025. Expect new proposals that are geared toward office staff retention and satisfaction. You will also see a proposal to seek funding for enforcement priorities, as discussed in the past and perhaps again, at this Board’s next regularly scheduled meeting.

Conclusion and Next Meeting

The next regularly scheduled meeting of the ABC Board is August 22, 2023, in Nome, Alaska. This Board will also discuss whether a special meeting should occur in late June to address the remaining Title 4 Rewrite regulations and to seek final decisions on license applications that are not on this agenda.



Department of Commerce, Community, and Economic Development Alcohol & Marijuana Control Office – Enforcement Unit
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QUARTERLY REPORT OF TITLE 4 AND RELATED VIOLATIONS WITHIN MUNICIPALITIES (AS 04.11.610)

MUNICIPALITY/ AGENCY:

DATE:

REPORTING YEAR/ QUARTER:

COMPLETED BY:

EMAIL:

	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:						
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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 ENFORCEMENT BY EMAIL AT: amco.enforcement@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:
