



**Alcoholic Beverage Control Board
Meeting Agenda
First Judicial District**

**333 Willoughby Ave, 9th floor, Conference Room A
Juneau, Alaska**

January 29, 2024, at 10:00am

Join Zoom Meeting

<https://amco-alaska-gov.zoom.us/j/88358680726?pwd=iX2hZkBgUte3b7lhUlcShzu6MpE0wB.1>

Meeting ID: **883 5868 0726**

Passcode: **847101**

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January 30, 2024, at 9:00 am

Join Zoom Meeting

<https://amco-alaska-gov.zoom.us/j/86178926378?pwd=XZYkSxQgFTaf2RAO5XcsLbgPPYJRyT.1>

Meeting ID: **861 7892 6378**

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All times are approximate. Lunch from 12:00 noon to 1:00 pm second day

● **ADMINISTRATION**

10:00am

A. Call to Order 10:04am

B. Roll Call

- **Dana Walukiewicz, Chair – industry: zoom**
- **Diane Thompson, Vice Chair – industry: zoom**
- **David Koch - Public Safety member: absent**
- **Janice Hill - Public member: present in person**
- **Doug Moore – Public member: present person**

- Joan M. Wilson – AMCO Director: zoom
- Kevin Higgins – Agency Attorney: zoom
- Regina Cruz – Acting Records and Licensing Supervisor: present in person
- Jane P. Sawyer – Program Coordinator: present in person

**C. Selection of Board Chair
AS 04.06.030 and 3 AAC 305.010**

Diane nominates Dana. Doug seconds.

Motion to nominate Diane as chair.

Doug Moore, yes

Jan Hill, yes

Dianne Thompson, yes

Dana Walukiewicz, yes

David Koch, absent

Diane stays as the vice chair.

No further discussion

D. Approval of Agenda - Dana: small change, there are two licenses that he has financial interest in, and Tab 16: remove King Street the applications from this tab. Dana suggests to move that to tab 13 and so that the Board could vote on those separately, and he will abstain from voting on those items. He asks for this modification to the agenda and reconsideration of transfer Tab 21 is scheduled for the second day. Jan moves to approve the agenda as modified. Doug seconds. No further discussion 4-0

E. AMCO Meeting Code of Conduct **TAB 1**

F. Top 10 Zoom FAQ **TAB 2**

G. Approval of November 13 - 14, 2023 Meeting Minutes

Jan moves to approve the minutes from November 2023 meeting. Doug seconds. Jan, yes. Doug, yes, Diane, yes. Dana, yes. Motion passes **TAB 3**

● **BOARD GOVERNANCE** **10:05am**

Dana discloses his financial interest in multiple King Street Brewing Company; he is an owner. He will abstain from voting. No further disclosures.

Recordings and transcripts are available on AMCO's website here:
<https://www.commerce.alaska.gov/web/amco/MCBMeetingDocuments>

● **TRADE PRACTICES REGULATIONS**

A. Oral hearing on Title 4- Trade Practices.

TAB 4

(Board to determine how long the hearing will be.)

Dana W. opens the oral hearing at 10:18, under the administrative procedure act. Testifiers in the room first, zoom second.

Jack Manning – Juneau package store owner and president of local CHARR – \$400 limit is too low for prizes, displays, signs. The limit for wholesalers to donate to trade associations is too low. Notes CHARR is statewide organization with local affiliates.

Dana W. comments regarding the \$400 (displays/prizes) is ‘per brand’ and \$400 (signs) is per year per location.

Board discussion of definition of ‘brand’ with Bud Light and Budweiser examples of different ‘brands’.

Lee Elis, president of Brewer’s Guild, comments that federal CFR’s (Code of Federal Regulations) has \$300 limit for ‘displays’.

Board discussion of federal CFR’s. :Joan W. will get a copy of CFR’s to board today.

Board discussion on affiliates of trade organizations such as CHARR. Discussion on if an affiliate of a trade organization has a separate ‘board’ from the ‘main’ trade organization then the affiliate could also accept the donation limit of \$25,000.

Paul Thomas, with Alaska Cache Liquor store in Juneau comments that ‘affiliates (of CHARR) are ‘separate non-profit corporations. Donation amounts to trade organizations should be removed from regulations entirely. If left in, the amount should be increased to \$150,000 and all affiliates (of CHARR) should be allowed to receive the donation amount. He states that the prize limitation of \$400 is too low and suggests raising it to \$10,000. The wording for the time frame for ‘displays’ causes confusion and should be clarified. He wants the time from for displays changed to ‘30 days’ and the limit should be \$2000. He further comments that the term ‘combining or pooling’ the value of product displays is not clear and that the coupon section in regulations is confusing and should be removed as he believes coupons are outside of trade practices.

Board discussion of displays and prize limitation amounts and timeframes .

Lee Ellis notes that the federal CFR for trade associations donation limit is \$300. He speaks to CFR’s prohibiting ‘permanent or semi-permanent fixtures’ as regards displays and shelving and that is limited to \$300 per brand.

Dana W. notes Sarah Oates, CHARR representative and Title 4 stakeholder group member wishes to give input.

Sarah Oates, with Alaska CHARR, states if the board takes input from Mr. Lee Ellis who is also a member of the Title 4 stakeholders group representing the ‘manufacturing tier’ that she also, as a member representing the ‘retail tier’ should provide input. She comments that the Title 4 stakeholders group did not come to a consensus on the \$400 limitation amounts and that \$400 is too low of a limit and will negatively impact Alaska businesses.

Board discusses the Title 4 stakeholder group’s purpose as opposed to and along with the oral hearing’s purpose.

Paul Thomas comments to ask the board to pay special attention to the written comments and again mentions timeframes are confusing in the regulations as written.

Kevin Higgins that there are different time limits for different acts allowed or prohibited and that those limits are laid out in each section in regulations where they pertain.

Anna Fisk, vice president of Liquors USA North (Brown Jug/Goldrush) comments that the federal laws to not cap dollar amounts 'per location' for signage/displays and brings up stores such as Brown Jug, that have many multiple locations.

Board discussion of the 'per location' limit of \$400 for a single premises or \$1600 for multiple premises for signs/displays. A large retailer is limited to \$1600 total per brand even if they have many stores (more than four). Product displays and outside and inside signage is discussed.

Anna Fisk comments that there should be a level playing field for all regardless of if you own one store or many stores.

Joan Travistino, vice president of business development for Three Bears Alaska, comments her company has 17 licenses and comments that 'this process' (the oral hearing/written comments review by the board) is more relevant and important than what may have happened in a Title 4 stakeholders group meeting. She urges the board to look at the different industry members concerns regarding dollar amount limits and the 'clarity' of regulatory language which should be clear and consistent.

Mike Ward, owner of Pioneer Bar in Anchorage and president of Anchorage affiliate Cook Inlet CHARR, urges board to take CHARR's written comments into consideration. States the dollar amount limits in proposed regulations are too low and will hard small businesses if passed.

Sarah Oates, Alaska CHARR representative, states the \$400 limits (signage/displays) will have significant negative impact on small businesses.

Ronald Simpson, represents Copper Rail Depot in Copper Center license #275, a beverage dispensary license, comments that he does not understand what the point of trade practice regulations is. He gives scenarios from his own business regarding signage costs. He speaks to the costs of operating in Alaska, especially remote Alaska. He opines that the trade practice regulations are not urgent to implement and that this 'legislation' is created for a 'problem that doesn't exist'. He discusses an issue he had last year in which he was told he could no longer sell distilled spirits from kegs on tap and this hurt tourism and his business.

Board discussion together with Joan W. and it is determined that Mr. Simpson is referring to federal regulations prohibition on container size for distilled spirits and that this was not through AMCO. Joan W. states that AMCO worked with the manufacturer about the distilled spirits and container sizes at that time.

Discussion on need for trade practices and consistency and why trade practice regulations are introduced so that a number of existing activities will not violate state law.

Lee Ellis speaks to the need for trade practice regulations as they must be adopted to be consistent with Title 4, CFR's and in the public's best interest and to not create undue burden on businesses.

Dana W. asks Lee Ellis for clarification on Brewers Guild written comments which ask for an exception for manufacturers to provide 'equipment' to its retailer.

Lee Ellis comments that federal law and state law do not view the brewery manufacturer and the brewery retail as 'the same' regarding their tasting rooms. The regulations on trade practices

means that the brewery manufacturer and the brewery retailer operate as a 'tied house' and notes this is conflicting. Urges the board to adopt regulation to deal with this as the brewery retail can only sell the product of the brewery manufacturer. Written comments propose language to amend regulations to deal with this contradiction.

Board discussion on brewery manufacturer and intent of brewery retail licenses owned by the same entity.

Linda Superman, owner of Hunger Hut Inc. in Nikiski, inquires of the board what the definition of 'permanent shelving' is.

Board discussion on 'permanent shelving'. Dana W. clarifies that prior installed or 'existing' shelving will not be changed as it is 'grandfathered in'. Kevin Higgins advises that the prohibition (shelving/fixtures) is against an entity giving or selling 'now'. If existing fixtures/shelving already in the premises it is considered as having been 'already given' by the time these trade practice regulations might go into effect.

Linda Superman asks about her specific license and an application (sampling endorsement).

Joan W. notes she will look into it.

Dana W. states the board will focus on the topic of trade practices.

Doug M. motions to close oral hearing/public comments on Trade Practice regulations. Jan H. seconds. None opposed. Oral hearing closes at 11:48am.

Meeting on lunch until 1pm.

B. Close hearing for Trade Practices. Consider written and oral comments received and determine action on the proposed regulations.

Meeting resumes: meeting back to order at 1:05pm. Dave Koch absent

Dana W. summarizes what the board addressed as far as Trade Practices, and the options the board may take on the project.

Diane T. speaks to the importance of considering the public comments and the many good points made and points to the comments of the Brewers Guild and large package store owners with multiple locations.

Doug M. asks what are the ramifications for delaying the trade practice regulations. Points out that he does not see public safety concerns if the regulations are delayed so as to make them 'fine tuned'.

Dana W. discusses the mandate of the legislature and statute to pass trade practice regulations and consequences of not complying with that mandate.

Kevin Higgins speaks to these regulations 'providing exceptions' and without those exceptions all activities that might be currently ongoing are prohibited right now -such as a wholesaler providing a sign to a package store.

Joan W. comments on the regulatory process and AMCO's responsibilities.

Jan H. comments that the time should be taken to do the work to make the regulations suitable.

Board discussion on timeframes and regulations process regarding sending the trade practice regulations back out for public comment and to the Department of Law.

Board takes up discussion on the signage limitations. Inside signage/ product displays are discussed.

Jan H. moves to amend 305.515(a)(2)(A). Diane T. seconds. Doug M. is opposed. Motion passes. 3 AAC 305.515(a)(2)(A) is amended to read:

(2) give ~~or sell~~ a product display to the person holding a retail license under AS 04.09.200 - 04.09.370, if the total value of the product display given or ~~sold~~ by the entity to the retailer does not exceed \$800 per brand at any one time in any single licensed premises or \$4,800 per brand if the retailer has six or more licensed premises, excluding installation costs; under this subparagraph, entities may not pool or combine dollar limitations to provide a retailer a product display valued at more than \$800 per brand;

Board takes up discussion on the signage limitations. Outside signage is discussed.

Diane T. moves to amend 305.515(a)(4)(C). Doug M. seconds. 4-0 motion passes. 3 AAC 305.515(a)(4) is amended to read:

.....give or sell outside signage to a person holding a retail license under AS 04.09.200 - 04.09.370 if
(A) the sign bears information about a featured product or the product's manufacturer in a manner that is conspicuous, identifiable, and securely affixed;
(B) the retailer is not compensated, directly or indirectly, for displaying the sign; and
(C) the cost of an *exterior* single sign does not exceed \$400 per location. ~~or \$1,600 for a retailer with two or more licensed premises;~~

Board takes up discussion of promotions/prize limitations. Doug M. moves to amend 305.525(4)(B). Diane T. seconds. None opposed, motion passes. 3 AAC 305.525(4)(B) is amended to read:

3 AAC 305.525. Practices that do not amount to commercial bribery. The practices set out in this section do not constitute commercial bribery under AS 04.16.017(a)(3). Under this section, an entity may

(4) offer a contest prize, premium offer, or like item not more than 12 times per year, per brand, to the consumers of a person holding a retail license under AS 04.09.200 - 04.09.370 if

(A) the event at which the prize, premium offer, or like item is featured does not exceed 30 days in length;

(B) the contest prize, premium offer, or like item does not exceed \$400 in

value on any single licensed premises or that dollar value may not be pooled or combined across multiple licensed premises or \$1,600 in value if the retailer has two or more licensed premises;.....

Board discussion of practices that do not amount to commercial bribery and the request to increase the donation limit to retail/trade associations of \$25,000 as laid out at 3 AAC 305.525(1)(F). Board consideration of written and oral public comments.

Practices that do not amount to commercial bribery. The practices set out in this section do not constitute commercial bribery under AS 04.16.017(a)(3). Under this section, an entity may

(1) participate in an association activity of a person holding a retail license under AS 04.09.200 - 04.09.370 by

- (A) displaying the entity's products at a convention or trade show;
- (B) renting display booth space, if the rental fee is the same as that charged and paid for by all exhibitors at the event;
- (C) providing hospitality independent from an association-sponsored activity;
- (D) purchasing tickets to a function;
- (E) paying registration fees for an entity's participation in a conference, event, or tradeshow, if the payment or fee is the same as those paid by all attendees, participants, or exhibitors at the event; or
- (F) paying for an advertisement in a program or brochure issued by the association at a convention or trade show, if the total payments made by an entity for all such advertising do not exceed \$25,000 per year for any retailer association;

Break at 3:17pm

Back at 3:31pm

Dave Koch is absent.

Board discussion on Brewer's Guild written and public comments regarding the inconsistency of operations expectations and tied house prohibitions regarding a manufacturer licensee who also owns a retail license dependent on that same manufacturer license (wholly owned by the same entity). The example is a Brewery Manufacturer license and its connected (dependent) Brewery Retail license. Kevin Higgins speaks to this conflict in statute and suggests carving out an exception for those entities in tied houses which will be a substantive amendment to proposed regulations. Joan W. speaks to retailer definitions and tied house prohibitions.

Board directs Kevin Higgins and Joan W. to create draft wording on how entities with varying degrees of ownership may/may not have exemptions to the trade practices and to bring the draft back to the board at tomorrow's meeting.

Further discussion on trade practices tabled until tomorrow.

Moves to 1/30/24 (second day)

6:11pm Board returns to Trade Practices discussion.

Kevin reads to the Board the proposed changes to the entire section of 3 AAC 305.515 regarding exceptions for manufacturer and the manufacturer's related retail license under tied house prohibitions. Board discusses proposed draft wording changes.

Exceptions to tied house prohibitions to be amended to read:

3 AAC 305.515. Exceptions to tied house prohibitions. (a) The practices set out in this section are exceptions to the practices listed under AS 04.16.017(a)(1) or 3 AAC 305.510.

(b) The practices prohibited under AS 04.16.017(a)(1) or 3 AAC 305.510 do not apply to

(1) an entity that holds both a brewery manufacturer license under AS 04.09.020 and a brewery retail license under AS 04.09.320;

(2) an entity that holds both a winery manufacturer license under AS 04.09.030 and a winery retail license under AS 04.09.330; or

(3) an entity that holds both a distillery manufacturer license under AS 04.09.040 and a distillery retail license under AS 04.09.340.

.....

Diane moves to send the Trade Practices as amended to law for review and then out for public comment. Jan seconds. Motion passes 4-0. Jan seconds. Motion passes 4-0.

Board moves on to Tab 37....

● **DIRECTOR'S REPORT**
TAB 5

Joan addresses the board with her report.

1/29/24: 4:35 pm recess until tomorrow

A. Title 4 Rewrite Questions

Conversation can be found in the recordings for the first day of the meeting, toward the end. Meeting recording information at the end of the minutes.

1/30/24 9:00am meeting reconvened

Roll Call:

- Dana Walukiewicz, Chair – industry: present in person
- Diane Thompson, Vice Chair – industry: present in person
- David Koch - Public Safety member: absent
- Janice Hill - Public member: present in person
- Doug Moore – Public member: present person
- Joan M. Wilson – AMCO Director: present in person
- Kevin Higgins – Agency Attorney: present in person
- Regina Cruz – Acting Records and Licensing Supervisor: present in person

- Jane P. Sawyer – Program Coordinator: present in person

Board attempts to take up Reilly’s – Tab 21. Not all parties involved on the phone at this time.

Board continues to tab 9.

● **ENFORCEMENT REPORT – scheduled for January 30, 2024 (second day) 10:12am**

Steve Johnson present in person

Joe Bankowski present in person

Dana W.: revisit enforcement priorities – next regular meeting.

A. Peace Officer Concurrence/Arming – J. Linger

TAB 6

Steven Johnson summarizes report.

Doug moves to approve special investigator J. Linger to carry firearm 3 AAC 305.820 with friendly amendment to include reference to AS 04.06.110 and AS 17.38.131.

Diane seconds. Amendment to the motion for J. Linger to enforce peace officer powers as stated. Diane seconds amendment. None opposed, motion carries. 4-0

B. Notices of Violation Issued and Licensee Responses

TAB 7

Discussion about the new fine schedule. Board does not have questions regarding NOV in this tab. Diane makes a statement about many of the licensees not understanding the requirement of a work permit.

Jan Hill steps out at 10:33

The board has a conversation about the activities under the Restaurant Endorsement. The discussion brings up the possibility of adding a certification on the renewal application about employing minors.

1/30/24 (second day): Break at 10:40am

Back from break at 10:54. Start on Tab 10.

● **STIPULATED AGREEMENTS**

A. Catherco, LLC d/b/a Seward Brewing Company License 5287

1/29/24 (first day): 4:24pm Hillary Bean on the phone.

Doug Moore moves to accept the stipulated agreement. Jan Hill seconds. No further discussion. 4-0 yes

● **INFORMAL CONFERENCE**

A. Thibodeau’s Market, Inc. d/b/a Thibodeaus Liquor license 4742

1. Informal conference for denied waiver of operations

TAB 8.0

2. Not informal conference but related to the waiver of operations for 4742, is the consideration of the 2024/2025 license renewal application. TAB 8.1

Informal conference: Jana Weltzin is present for the licensee to speak in the informal conference. Pete Thibodeau present on Zoom to provide his input. Diane moves to rescind the denial of the 3rd waiver of operations and approve the third waiver. Doug Seconds. 4-0 motion carries.

2024/2025 license renewal application: Jan moves to approve with delegation. Diane seconds. Motion passes. 4-0

5:15 meeting is in recess until tomorrow, 1/30/24.

9:03am 1.30.24 called back to order

Roll Call

- Dana Walukiewicz, Chair – industry: present in Juneau
- Diane Thompson, Vice Chair – industry: present in Juneau
- David Koch - Public Safety member: absent
- Janice Hill - Public member: present in Juneau
- Doug Moore – Public member: present in Juneau
- Joan M. Wilson – AMCO Director: present in Juneau
- Kevin Higgins – Agency Attorney: present in Juneau
- Regina Cruz – Acting Records and Licensing Supervisor: present in Juneau
- Jane P. Sawyer – Program Coordinator: present in Juneau

● **LICENSING STATISTICS** TAB 9

1/30/24: Board has a conversation about paper v ACCIS (electronically submitted) applications.

Doug M. moves to open a regulatory project to charge a non-refundable \$150 paper fee. Diane T. seconds. No further discussion. Motion passes. 4-0

● **DELEGATED CONSENT AGENDA – NEW & TRANSFER APPLICATIONS** TAB 10
THIS SECTION CAN BE APPROVED WITH DELEGATION AS A BLOCK.

1/30/24: Dana W. provides a summary of this list.

Doug Moore moves to approve block with standard delegation and the required delegation on the memo on tab item O. Diane Thompson seconds. Motion carries 4-0.

Brenda Butler, from JDW, is present for item O.

A. 466 Senor Pancho’s Mexican Restaurant: Senor Pancho’s Mexican Restaurant Inc.

44096 Sterling Highway Suite B, Soldotna
Beverage Dispensary

From: Francisco Jabier Rodriguez-Rincon

To: Senor Pancho's Mexican Restaurant Inc.

Transfer of ownership

Local governing body action: Kenai Peninsula Borough, City of Soldotna
Pending: Department of Labor, Department of Revenue compliant.
Background investigations: pending

B. 596 Knik Bar & Liquor Store: Broken Boat LLC

10204 S Knik Goose Bay Road, Wasilla

Package Store

From: Misty Massie 33.34%, Brian Reimer 33.33%, Alice Massie 33.33%
To: Misty Massie 66.67%, Brian Reimer removed, Alice Massie 33.33%

Transfer of controlling ownership

Local governing body action: pending Matanuska-Susitna Borough/City of Wasilla
Pending: Department of Labor, Department of Revenue compliant. Pending creditors response.
Background investigations: complete

C. 597 Knik Bar & Liquor Store: Broken Boat LLC

10204 S Knik Goose Bay Road, Wasilla

Beverage Dispensary

From: Misty Massie 33.34%, Brian Reimer 33.33%, Alice Massie 33.33%
To: Misty Massie 66.67%, Brian Reimer removed, Alice Massie 33.33%

Transfer of controlling ownership

Local governing body action: pending Matanuska-Susitna Borough/City of Wasilla
Pending: Department of Labor and Department of Revenue compliant. Pending creditors response.
Background investigations: complete

D. 2644 Tikchik Narrows Lodge: Tikchik Narrows Lodge Inc.

65 Miles North of Dillingham on Tikchik Lake

Beverage Dispensary- Seasonal

From: Current structure to Andrew P Angstman 100%

Transfer of ownership

Local governing body action: No Local Government
Pending: Department of Labor, Department of Revenue
Background investigations: complete

E. 2683 Gateway Liquor & Food Mart: Harbor Gateway Inc.

308 N Harbor, Seward

Package Store

From: Harbor Gateway Inc (estate of James Pruitt)
To: Harbor Gateway Inc (Tracie Williams) & Craig Pruitt

Transfer of controlling interest

Local governing body action: Pending City of Seward, Kenai Peninsula Borough
Pending: Department of Labor, Department of Revenue
Background investigations: complete

- F. 2721 Bear's Den Liquor:** Three Bear's Alaska, Inc.
487 Salmon Way, Dutch Harbor

Package Store

From: Western Pioneer Inc.

Transfer of ownership

Local governing body action: pending City of Unalaska
Pending: Department of Labor, Department of Environmental Conservation, Department of Revenue
Background investigations: complete

- G. 3009 Holding Company:** Ae Kyong Lee
NO PREMISES

Beverage Dispensary

From: The Wedge Corp
To: Ae Kyong Le

Transfer of ownership

Local governing body action: Municipality of Anchorage
Pending: Department of Labor, Department of Revenue, Municipality
Background investigations: complete 11/15/23

- H. 3925 Riverside Bar:** Riverside Bar LLC
7271 Richardson Highway, Salcha

Beverage Dispensary

From: Michael C. Stormont
To: Riverside Bar LLC

Transfer of ownership

Local governing body action: pending Fairbanks North Star Borough
Pending: Department of Labor, Department of Revenue compliant.
Background investigations: complete

- I. 4044 The Liquor Cabinet/Cost Savers:** Back Bay LLC
2161 Mill Bay Road, Kodiak

Package Store

From: The Liquor Cabinet Inc

Transfer of ownership

Local governing body action: pending City Kodiak, Borough of Kodiak Island
Pending: Department of Labor, Department of Environmental Conservation, Department of Revenue
Background investigations: Complete

- J. 4364 Gold Rush Liquor:** Liquor Stores USA North Inc.
8661 Old Seward, Anchorage
Package Store
From: Cody Alaska Liquors Inc.

Transfer of ownership

Local governing body action: Pending Municipality of Anchorage
Pending: Department of Labor, Department of Revenue
Background investigations: complete

- K. 4919 North Pole Liquor:** Liquor of the North LLC
343 W Benson Blvd #10, Anchorage
Package Store
From: Alaska Liquor Inc

Transfer of ownership

Local governing body action: pending Municipality of Anchorage
Pending: Department of Labor, Department of Revenue compliant.
Background investigations: pending

- L. 5149 Croft Wholesale:** Croft Vineyards LLC
601 West 58th Avenue, Anchorage
Limited Wholesale Brewed Beverages and Wine
From: Toni Croft (deceased)
To: Eric Croft, Lee Croft, Kymber Miller

Transfer of Controlling Interest

Local governing body action: pending Municipality of Anchorage
Pending: Department of Labor, Department of Revenue
Background investigations: complete

- M. 5600 DBA the Potato:** Uber Tubers, Inc.
255 N Harbor Dr., Valdez
Restaurant or Eating Place - Seasonal
From: Uber Tubers Inc.
To: The Roadside Potato Too, LLC

Transfer of ownership

Local governing body action: pending City of Valdez
Pending: Department of Labor, Department of Revenue
Background investigations: complete

- N. 6082 Latitude 59:** Rae-Phemister LLC
3858 Lake Street #59, Homer
Restaurant or Eating Place
From: Sake 59 LLC

Transfer of ownership

Local governing body action: Pending City of Homer, Kenai Peninsula Borough
Pending: Department of Labor, Department of Revenue
Background investigations: complete

O. 6170 Homer Spit Oyster Bar: Suvi Mirja Bayly

4081 Freight Dock Road, Homer
Brewpub – converted 1/1/2024 to Brewery Manufacturer

New license application

Local governing body action: pending City of Homer, Kenai Peninsula Borough
Pending: Department of Labor, Department of Revenue
Background investigations: pending

Delegation to include a signed, dated lease agreement, a copy of the federal Alcohol and Tobacco Tax and Trade Bureau permit (TTB) and Ms. Bayly’s fingerprint card to conduct an updated background investigation. The most recent one for Ms. Bayly expired on May 15, 2017, more than 5 years ago.

Brenda Bulter, paralegal for JDW, speaks to board.

P. 6171 Alaska Blooms & Bubbles: The Bottle Shop LLC

8250 Homer Dr. Anchorage
Package Store

New license application

Local governing body action: pending Municipality of Anchorage
Pending: Board approval and LGB waive
Background investigations: completed

● **DELEGATED CONSENT AGENDA – 2024/2025 RENEWAL APPLICATIONS**

TAB 11

THIS SECTION CAN BE APPROVED WITH DELEGATION AS A BLOCK.

Diane moves to approve with standard delegation. Jan seconds.
Motion passes 4-0.

A. 533 Houston Lodge: Brian T. Sharrah
Mile 57 Parks Highway, Houston
Beverage Dispensary

B. 5468 Stillpoint in Halibut Cove: Alaska Centre for Creative Renewal, LLC
Lot 4, USS 4734 Halibut Cove
Outdoor Recreation Lodge – Seasonal

Chair Dana Walukiewicz turns Delegated Consent Agenda (topic below) to Vice Chair, Diane Thompson, due to his financial interest in King Street Brewing, LLC (he is an owner). He discloses other tabs on this agenda in his financial interest disclosure.

● **DELEGATED CONSENT AGENDA – INDIVIDUAL BOARD CONSIDERATION**

A. KING STREET BREWING LLC, NEW LICENSE APPLICATIONS AND 2024-2025 RENEWAL

1. 15004 King Street Brewing: King Street Brewing LLC

TAB12

9050 King St, Anchorage

Package Store

New license application

Local governing body action: pending Municipality of Anchorage

Pending: Board approval and LGB waive

Background investigations: completed

Jan motions to approve with delegation. Doug seconds. 3-0 approved. Dana abstains.

2. 15008 King Street Brewing: King Street Brewing LLC

TAB13

9050 King St, Anchorage

Restaurant or Eating Place

New license application

Local governing body action: pending Municipality of Anchorage

Pending: Board approval and LGB waive

Background investigations: completed

Doug moves to approve with delegation. Jan seconds.

Discussion: overlapping premises, full-on kitchen.

Doug asks if Dana can contribute to this conversation regarding Restaurant Endorsements.

Board tables the original motion to approve with delegation. Jan seconds. Motion passes 3-0 (Dana abstains)

Discussion regarding Restaurant Endorsements. Policy: accept the language as submitted in REPL applications regarding activities under AS 04.09.210(d) to be automatically incorporated in the approval process for individual applications. No objection to the policy.

Back to tabled motion. Joan discusses overlapping premises and asks questions regarding that of the applicant. Approved 3-0. Dana abstains.

3. 5595 King Street Brewing Company: King Street Brewing LLC

9050 King St, Anchorage

Brewery Manufacturer – 2024-2025 Renewal

No tab. Same brewery, new license type.

Jan moves to approve with delegation. Doug seconds. Approved 3-0. Dana abstains.

● **2023/2024 DELEGATED CONSENT AGENDA RENEWAL APPLICATIONS**

TAB 14

THIS SECTION CAN BE APPROVED WITH DELEGATION AS A BLOCK.

Vice Chair, Diane Thompson, turns it back to Chair Dana Walukiewicz.

Jan moves approve as a block with delegation. Diane seconds. Motions passes 4-0

- A. 806 Dave & Buster's:** Dave & Buster's of Alaska, Inc.
800 E Dimond Blvd, Suite 220, Anchorage
Beverage Dispensary

- B. 1852 Tanana Sandbar:** City of Tanana
249 Front Street, Tanana
Package Store - Community

- C. 3179 Outfitter Liquor Store:** M & D Ward, Inc.
Mile O Haines Highway, Haines
Package Store

- D. 4678 Fairbanks Junior Ice Dogs:** Fairbanks Junior Ice Dogs Inc.

1920 Lathrop Street, Fairbanks
Recreational Site – AS 04.09.270(f)

- E. 5051 Asiana Restaurant:** Young Mi Jin
2001 Airport Way, Fairbanks
Restaurant or Eating Place

- F. 5095 PINZ:** PINZ, LLC
608 W Willoughby Avenue, Juneau
Recreational Site – Grandfathered AS 04.11.210(d)

- G. 5502 China Town Restaurant:** WMAN Alaska LLC
836 East Loop Road, Anchorage
Restaurant/Eating Place

THE BOARD SHOULD REVIEW THESE INDIVIDUALLY.

A. NEW LICENSES AND ENDORSEMENTS

Large Resort Endorsement: Alyeska Resort – Endorsement 15536

TAB 15

Discussion. Kara Edwards on zoom. Diane moves to approve with delegation. Jan seconds. Motion passes 4-0.

Board directs: this and future Large Resort Endorsements will be reviewed for adequate security plans to ensure the safety of minors on premises.

Manufacturer Retail Licenses (may convert upon application Sec. 169(d) TAB 16

The financial disclosure of Chair Walukiewicz are part of this tab: Licenses 15006 and 15009. Doug moves to automatically convert 5595 to 15006, and winery manufacturer license 5725 to winery retail 15009. Diane seconds. Approved 3-0. Dana abstains.

(a later discussion about conversation of licenses clarifies that the legacy licenses stay as manufacturers)

Manufacturer Direct Shipment License Applications

Manufacturer Sampling Endorsement

Restaurant Endorsement (request delegation)

Hotel or Motel Endorsement (discuss necessary review and potential delegation)

Package Store Shipping Endorsement

Package Store Repackaging Endorsement

Package Store Sampling Endorsement (For Board Review and Local Government Process)

Bowling Alley Endorsement (discuss necessary review and potential delegation)

Brewery repackaging endorsement

Board addresses tab 16 before tab 15.

Joan walks the board through each section. Discussion.

Doug moves to approve the automatic conversions of manufacturer retail licenses upon application with delegation (tab 16, paragraph A). Joan makes it clear that by “converting” the manufacturers are not going away. Diane seconds.

Manufacturer direct shipment licenses. Joan briefs the board on the action she took on these. Discussion related to the number of applicants for this type of license. Anne Huffsmith (on zoom) from Naked Wines, one of the applicants for this license, describes her operations to the board. Dana asks the applicant how she defines manufacturing, and what percentage is fermented on-site. Jan moves to approve MDSL with delegation 15486. Doug seconds. Motion passes 4-0.

1/30/24 - Break for lunch until 1:15pm

Resume meeting: 1:20pm

All four members present (Dave absent).

Manufacture sampling endorsement: Doug moves to approve tab 16.C.1. Diane seconds. No further discussion. Motions passes 4-0.

Package Store Delivery Endorsement: Diane moves to approve tab 16.C.2. Jan second. Motions passes 4-0.

Package Store Repacking Endorsement: Doug moves to approve tab 16.C.3, with (friendly amendment) delegation. Diane seconds with friendly amendment. Motion passes 4-0.

Package Store Shipping Endorsement: Jan moves to approve tab 16.C.4, with delegation. Doug seconds. Motion passes 4-0.

Brewery Repackaging Endorsements: Diane moves to approve tab 16.C.5, with delegation. Jan seconds. Motion passes 4-0.

Hotel or Motel Endorsements: Doug moves to approve tab 16.C.6, with delegation. Jan seconds. Motion passes 4-0.

Bowling Alley Endorsement: Jan moves to approve tab 16.C.7, with delegation. Diane seconds. Motion passes 4-0.

Restaurant Endorsements: discussion. No action needed for these.

Package Store Sampling Endorsements: Doug moves to approve tab 16.D.1 with delegation. Jan seconds. Motion passes 4-0.

Board first addresses Tab 36 (Large Resort Endorsement regulation) to take an informed action on Alyeska Large Endorsement Resort. Department of Law, LRLR Section, did not approve the project's language because the proposed regulation conflicts with the underlying statute. The proposed regulation is not supported by statutory authority. Case law is cited. Dana points out that Alyeska's application includes a security plan. Joan asks "does this board have the authority to protect those individuals getting access to alcohol through other means, such as a security plan. So that the endorsement could operate to its full extent". It's not like the board is not enforcing the law. The board is just using a different mechanism.

Board addresses Alyeska’s large resort endorsement. Kara Edwards on zoom. Notes above, under tab 15.

Board addresses tab 20 next.

B. SEASONAL RESTAURANT OR EATING PLACE TOURISM LICENSE

1. **6158 The Food Truck:** Southerly LLC **TAB 17**
419 Dock Street, Ketchikan
Seasonal Restaurant or Eating Place Tourism License

New license application

Local governing body action: pending

Department of Environmental Conservation: pending

Background investigations: completed

Consideration: New application for Seasonal Restaurant or Eating Place Tourism License, see memo and supporting documents.

Amber Adams on zoom.

Diane moves to approve with delegation. Doug seconds. Motion passes 4-0.

This is the second SREPTL approved by the board in Ketchikan.

C. RECREATIONAL SITE/SPORTING ACTIVITY OR EVENT NEW APPLICATION

1. **6169 The Great Alaskan Lumberjack Show:** The Great Alaskan **TAB 18**
Lumberjack Show LLC
420 Spruce Mill Way, Ketchikan
Recreational Site/Sporting Activity or Event

New license application with Restaurant Endorsement

Local governing body action: pending City of Ketchikan, Ketchikan Gateway Borough

Pending: Department of Environmental Conservation

Background investigations: pending

Consideration: Evaluate application and restaurant endorsement.

Board asks several questions of the applicant regarding the Restaurant Endorsement in relation to being a bona fide restaurant and having a commercial kitchen, and the access of the premises to minors. Abby Bradberry on zoom.

1. Doug moves to approve the sporting activity or event license with delegation. Jan seconds. Motion passes 4-0.
2. Doug moves to approve the restaurant endorsement. Jan seconds. Diane not convinced they are a restaurant. There is no other means of cooking

other than the 20-gallon crockpots. Dana inclined to accept it; they are going to have to prove that their sales are 50/50. Doug: they have a compartment sink, etc. he believes they can function as a restaurant. Jan agrees with other members.
Motion passes 4-0.

D. TIME EXTENSION REQUESTS TO SUBMIT TRANSFER APPLICATIONS

1. **Chatanika Lodge:** Terron, Inc. **TAB 19**
Mile 29 Steese Highway, Fairbanks

- a. 213, Beverage Dispensary
- b. 214, Package Store

Consideration: Personal Representative is asking for a time extension to submit a transfer because the stockholder with controlling interest has passed.

1/30/24 at 3:10pm. Shirley Franklin not online.

Doug, moves to approve extension of time to submit transfer applications for both licenses with 180 days. Diane seconds. Motion passes 4-0.

2. **556 International Hotel & Bar:** Hard Work, LLC **TAB 20**
122 N. Turner, Fairbanks
Beverage Dispensary

Blue Loon: Hand Made, LLC
2999 Parks Highway, Fairbanks

- a. **3195, Beverage Dispensary**
- b. **4834, Beverage Dispensary – Duplicate, converted to Multiple Fixed Counter Endorsement**

Consideration: Personal Representative is asking for a time extension and continued operations as needed to submit transfers because the stockholder with controlling interest has passed.

1/30/24 at 2:09pm. Brandon Emmett present representing licensees. He is requesting one year extension. Diane moves to approve time extension for one year. Jan seconds. Motion passes 4-0

Board address tab 17 now.

**E. RECONSIDERATION OF AN APPROVED TRANSFER – January 30, 2024
(second day, first thing)**

1. **216 Reilly's:** Reilly's Alaska Inc.
317 West Fireweed Lane, Anchorage
Beverage Dispensary

Consideration: Reconsider an approved transfer.

Jason Brandeis is on zoom for Ms. Reilly in this matter. License 216.
Robert Reiman Attorney for Randy Kaer on the line. Randy Kaer on zoom

Mr. Brandeis speaks to the issue. Ms. Reilly is here to ask the board to rescind the transfer application or preserve the application in delegation.

Mr. Reima speaks to the issue. Asks the board to table the matter for 90 days.

Dana W. asks who is operating the license.
Randy Kaer provides history regarding the question. He still wants the transfer to occur.
Jason Brandeis provides further information regarding the contract between the parties. Mr. Brandeis makes an argument regarding security agreement.

Kevin Higgins answers board questions regarding security agreement argument.

Dana W. speaks more to the matter. He does not want to see the board becoming a de facto civil judges/court. He is inclined to tabling it.

1. Doug moves to reconsider the approval of the transfer application. Jan seconds. No further discussion. Motion passes 4-0
2. Doug moves to table to the next regular meeting. Jan seconds. No further discussion. Motion passes 4-0.

● **TABLED FROM PREVIOUS MEETING(S)**
THE BOARD SHOULD REVIEW THESE INDIVIDUALLY.

- A. **4283 Pub House:** Bistro IT, LLC

TAB

22

1020 West 12th Avenue, Anchorage

Beverage Dispensary – Tourism

From: RB Enterprises, LLC 50% and Mystery Ranch, LLC 50%

To: RB Enterprises, LLC 100%

Transfer of ownership

Local governing body action: protest waived by Municipality of Anchorage
Pending: Department of Revenue, Department of Labor
Background investigations: complete

Background: At the August 2023 meeting, the board tabled the consideration of this transfer application for staff to obtain additional information regarding the eligibility of the Beverage Dispensary – Tourism license and the possibility of long-term rentals on site.

Dana summarizes the reason the application was tabled last time. Doug moves to approve with delegation. Diane seconds. Motion passes 4-0.

B. 6108 Thorne River Brewery: Thorne River Brewery, LLC

TAB 23

1200 Shoreline Drive, Thorne Bay
Brewery now Brewery Manufacturer

New license application

Local governing body action: City of Thorne Bay lapsed as of 5/21/2023
Pending: TTB Permit
Background investigations: complete

Consideration: Nano-brewery business model located in applicant’s home.

On 1/11/2024: Staff received the compliant notification from the Department of Environmental Conservation.

On 7/26/23: Department of Environmental Conservation states the applicant is not compliant due to not filing an application for their facility. They have reached out to the applicant via email regarding the requirements to submit a Plan Review application packet. Staff has notified the applicant.

Dana summarizes reason for tabling. Doug moves to approve with delegation. Jan seconds. Motion passes 4-0.

● COMMON CARRIER APPROVAL REGISTRATIONS

Some common carriers are on zoom.

Joan introduces the topic. Local Government Specialist, Gabriel Gonzales articulates the questions that some common carriers have asked.

Jan moves to approve common carrier approvals as block. Diane seconds. Motion passes 4-0.

A. Interim Approval Granted by Director

1. **Smokey Bay Air, Inc.** **TAB 24**
2. **Alaska Airlines, Inc.** **TAB 25**
3. **Federal Express Corporation** **TAB 26**
4. **Northern Air Cargo, LLC** **TAB 27**
5. **Everts Air Cargo** **TAB 28**
6. **Redemption, Inc. d/b/a Island Air** **TAB 29**
7. **Lynden Air Cargo** **TAB 30**
8. **Alaska Central Express** **TAB 31**
9. **New Pacific Airways, Inc. d/b/a Ravn Alaska** **TAB 32**

B. Joan to lead a discussion about requirements of downstream carriers to obtain signatures and check ID.

Joan starts the conversation by reciting the statute. Kevin reads out statute AS 04.11.499(c).

Testifiers:

Will Day, Executive Director, Alaska Air Carriers Association (AACCA)
 Dan Knesek, VP of Operations, Grand Aviation – speaks to whose liability, independent contractors, luggage, excess luggage, inspecting every box.

Board member Dana does not believe the intent of the statute was to regulate customer luggage. The board agrees that licensee to licensee does not require a common carrier approval.

More discussion.

Testifiers:

Don Graves – speaks about hubs and asks about liability.
 Justin Polayes, Ryan Air – speaks to identification, rural areas, and complications of such.

Robert Ragar – does the first carrier have to ensure the second carrier have a common carrier approval?

Discussion: Unintended consequences. Most likely needs a legislative solution. Kevin Higgins suggests a regulation to address the common carrier to common carrier issue of employees under 21 years of age.

After listening to the concerns of the common carriers.

Doug M. moves to open a project regarding the chain of custody in common carrier transportation. Diane T. seconds. Motion passes 4-0.

● BOARD LEGISLATIVE REVIEW

● HB 189 SALE OF ALCOHOL BY PERSONS UNDER 21

TAB 33

Dana summarizes the bill.

The board passes a motion 4-0 to support this bill as modified.

Recording of the discussion on HB189 by the board, is in the second day (1/30/24) recordings, 5th recording, toward the end.

● HB 192 DELIVERY/PICK UP OF ALCOHOL; LICENSING

TAB 34

Dana summarizes the bill.

Board takes comments from Deborah Herron, Walmart.

Diane moves to issue an advisory opinion as discussed by the board with concerns. Jan seconds. Motion passes 4-0.

Recording of the discussion on HB192 by the board, is in the second day (1/30/24) recordings, 5th recording, toward the end.

Board goes on break.

Resume: 5:41pm

● REGULATIONS

A. Board Discussion

1. Shipments from Manufacturer Direct Shipment Licensees and 35 Package Store Shipment Endorsement Holders

TAB

Status: Draft for board discussion

Potential Board Actions: TDB at meeting

Joan W. and Kristina S. provide background on the project: the proposed changes to the language and reasons for the changes.

Board discussion on proposed project.

Sally Jefferson, Wine Institute, on zoom, speaks about online age verification services and out of state shippers.

Diane T. moves to modify draft wording as proposed and approve the modified language and put it out for public comment after Law's review. Jan H. seconds.

Motion passes. 4-0

2. Large Resort Endorsements

TAB

36

Status: Draft not approved by law. Status for board discussion.

Potential Board Actions: TDB at meeting

Board discussion on status of this project after law did not approve it to move forward. Diane T. motions to close this project. No second. Motion dies. Project stays alive. No action taken.

Board goes back to discuss Trade Practices and further changes to the proposed language.

Kevin Higgins reads his proposed amendments to 3 AAC 305.515 regarding tied house prohibitions. Diane moves to send the Trade Practices as amended to law for review and then out for public comment. Jan seconds. Motion passes 4-0.

Conversation is in last recording of the meeting of the second day.

B. Board Requests (if any)

● ALCOHOL MAILBOX

TAB 37

Correspondence received in the alcohol@alaska.gov inbox from November 4, 2023 – January 19, 2024

Board considers the comment from Ms. Petra Illig. A reminder that the board needs to address alcohol in food products in regulation.

● PUBLIC TESTIMONY

Based on current circumstances, the Board may decide to limit public testimony.

Public testimony is limited to issues not on this agenda and that are not proposed regulations.

Paul Thomas provides comment: liability of licensees; underage persons in the transport of alcohol; license categories; common carrier approval.

● TOPICS FOR FUTURE DISCUSSION BY ABC BOARD

A. Board Development

Review enforcement priorities at next regular meeting.

● **BOARD COMMENTS**

Dana expresses his thanks to the office, and Joan’s leadership.

Doug expresses thanks to Jane and Regina and the staff.

Diane thanks the office

Jan, great meeting. Thanks Joan, and the staff. Enjoys serving this board; it is meaningful.

● **NEXT ABC BOARD MEETING**

The next meeting is April 16, 2024, in Anchorage. The deadline for complete applications for this meeting is March 29, 2024.

● **ADJOURNED**

Meeting adjourned at 6:37pm

Recordings for this meeting:

ABC 1.30.24

https://amco-alaska-gov.zoom.us/rec/share/oaCpdIiYPJ07fzOcdakFmcbpZjNEg-rAfs29jBnT_MC0D2pC23svU3QDi7OF6fnt.S2uaiejz3cD70mKb

Passcode:6e+KB*Mg

ABC 1.29.24

https://amco-alaska-gov.zoom.us/rec/share/loOA9kxG9dhPYcpy-lbZwGBExXnb3gSWRIoUNAFgKf9FzVzj_ig86b59QgUcGhzC.dZzUy8X8gzCqxcRu

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