



MEMORANDUM

TO: Bob Klein, Chair,
and Members of the Board

DATE: January 23, 2018

FROM: Erika McConnell, Director

RE: Guidance for Package Stores in
Relation to Events with On-
premises Consumption

Requested Action: State and adopt board's guidance to package stores for special events permits and the like

Statutory Authority: AS 04.06.090(a) states, "The board shall control the manufacture, barter, possession, and sale of alcoholic beverages in the state. The board is vested with the powers, duties, and responsibilities necessary for the control of alcoholic beverages,..."

Special Event Permit (AS 04.11.240): "A special events permit authorizes the holder to sell or dispense beer or wine for consumption at designated premises for a specific occasion and limited period of time. Only nonprofit fraternal, civic, or patriotic organizations active for a period of at least two years before application and incorporated under AS 10.20 are eligible for a special events permit, and only if all profits derived from the sale of beer or wine are paid to the organization and not to an individual."

Staff Recommendation: Support AMCO's guidance as stated below

Background: AMCO has both found and been told about package stores providing alcohol for special events and being present at the event (off the package store's licensed premises) in such a manner as to give the impression that the package store was operating at the event, serving and/or selling alcohol, which is not a permitted activity for a package store license (AS 04.11.150).

As set forth in AS 04.11.240, a special events permit allows the holder to sell or dispense beer or wine for consumption at the event, and the holder must be a nonprofit fraternal, civic, or patriotic organization.

AMCO's guidance is that if the owners and/or employees of a package store wish to volunteer at a special event to serve their beer or wine, they must act at the event as volunteers for the permit holder (the non-profit fraternal, civic, or patriotic organization) and not as representatives of the

Package Stores and Special Events Permits

ABC Board January 23, 2018

Page 2

package store licensee. A special event is not an opportunity to directly market their package store business to the event attendees.

This guidance would also apply to other types of permits and licenses that authorize on-premises consumption, such as a caterer's permit (AS 04.11.230), a restaurant caterer's dinner permit (3 AAC 304.680), and the like.