

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West Seventh Avenue, Suite 1600 Anchorage, AK 99501 Main: 907.269.0350

MEMORANDUM

TO: Bob Klein, Chair,

and Members of the Board

DATE: December 17, 2018

FROM: Erika McConnell, Director

Proposed Regulations Change: On-Line

Server Education Course

Statutory AS 04.06.100(a): "The board shall adopt regulations governing the manufacture, Authority:

RE:

barter, sale, consumption, and possession of alcoholic beverages in the state that are

consistent with this title and necessary to carry out the purpose of this title in a

manner that will protect the public health, safety, and welfare."

Status: Initial draft for board consideration

Proposal: This proposal removes the restriction that only persons who live in rural areas, as defined in the regulation, may take a server education course on the internet. The proposal would allow any person to take the server education course on the internet.

Background: AS 04.21.025 requires a licensee and a licensee's agent/employee who sells or serves alcoholic beverages to complete an alcohol server education course approved by the board for eight license types. Each course is required to cover 16 subjects, and the licensee/agent/employee is required to keep proof of successful completion of the course on the licensed premises during working hours. A card indicating successful completion of a course is valid for three years. The board is required to review each server education course at least once every three years.

The statute specifically states that "the board shall consider the needs of both urban and rural licensees regarding access to an approved alcohol server education course." This language has been in statute at least since 1993, before the internet was widely available.

In regulations adopted by the board at 3 AAC 304.465(e), it states:

Rural premises are those licensed premises not on a statewide road system or further than 50 miles on a road system from a community where a course is offered at least once every month. For the purpose of training for rural premises, course providers may provide video or audiotapes and written materials to a licensee that cover all topics required under (c) of this section, and conduct telephonic question and answer sessions for the students. A course provider may present training for rural premises by means of an Internet-based program. An Internet-based program must include steps that the course provider takes to verify the

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identity of the persons receiving the instruction, testing, and certification of alcohol server training.

This means that the only individuals permitted to take an internet-based server education course are those persons who live either off a statewide road system, or further than 50 miles on a road system from a community where a course is offered at least once a month.

Alcohol server education is required in some states and voluntary in others. According to 2003 information found online, eleven states have mandatory server education. I was able to find information on nine states, and in each of the nine, required server education is available in person and online. (Delaware, Montana, New Hampshire, New Mexico, Oregon, Rhode Island, Utah, Washington, Wisconsin) Although I did not do an exhaustive search, I could find no state other than Alaska that prohibits or limits online server education.

Close to 20 percent of all NOVs issued to alcohol licensees are for expired or missing server education. Allowing for online server education would provide licensees and their agents and employees with more opportunities to take a server education course at a time that is most convenient for their lives.

3 AAC 304.465 is amended to read:

3 AAC 304.465. Alcohol server education course. (a) While selling or serving alcoholic beverages, a person required under AS 04.21.025 to complete an alcohol server education course and the person's on-duty supervisor shall carry or have available to show a current course card or a photocopy of the card certifying completion of an approved alcohol server education course. The alcohol server education course card is effective for three years from the date of issuance during which time the person shall complete another approved course or successfully complete a written test demonstrating an understanding of the course subjects as required by AS 04.21.025(c). The card must include the name and date of birth of the card holder, the name of the course, and the date of expiration of the card. If the card does not include a photograph of the holder, the person shall also carry a valid identification under 3 AAC 304.425(b). The card or a photocopy of the card must be shown upon request of a peace officer or board representative. If the person cannot show a current card or a copy of it on file on the premises, or show a date of hire less than 30 days earlier, the person shall immediately cease selling or serving alcoholic beverages, or checking identification.

(b) State or nationally recognized organizations or associations that address the subject of responsible alcoholic beverage service may obtain approval of an alcohol server education course by making written application on forms provided by the board. The application must include the course **information** [BOOK] to be provided to students, any video or audio presentations that will be used, the written test required under (d) of this section, detailed lesson plans, and **if applicable**, a description of the qualifications of and training provided to course instructors. [THE APPLICATION MUST IDENTIFY THE COMMUNITIES WHERE THE COURSE WILL BE PRESENTED AND THE FREQUENCY OF THE PRESENTATION. THE

(8) "happy hour" laws;

- (9) restaurant designation;
- (10) other permits;
- (11) local option provisions;
 - (12) warning signs;
 - (13) gambling, drugs, and prostitution;
 - (14) adulteration;
 - (15) penalties for licensees and their agents and employees; and
 - (16) sale by package stores in response to written orders.
- (d) A provider of an alcohol server education course shall issue a card as described under (a) of this section to a student who successfully completes the course. Before issuing the card, the course provider shall require the student to pass a written test that demonstrates that the student understands the course subjects.
- (e) [RURAL PREMISES ARE THOSE LICENSED PREMISES NOT ON A
 STATEWIDE ROAD SYSTEM OR FURTHER THAN 50 MILES ON A ROAD SYSTEM
 FROM A COMMUNITY WHERE A COURSE IS OFFERED AT LEAST ONCE EVERY
 MONTH. FOR THE PURPOSE OF TRAINING FOR RURAL PREMISES, COURSE
 PROVIDERS MAY PROVIDE VIDEO OR AUDIOTAPES AND WRITTEN MATERIALS TO
 A LICENSEE THAT COVER ALL TOPICS REQUIRED UNDER (C) OF THIS SECTION,
 AND CONDUCT TELEPHONIC QUESTION AND ANSWER SESSIONS FOR THE
 STUDENTS.] A course provider may present training [FOR RURAL PREMISES] by means of
 an Internet-based program. An Internet-based program must include steps that the course
 provider takes to verify the identity of the persons receiving the instruction, testing, and
 certification of alcohol server training. The verification process must be approved by the board

and may be reviewed and reevaluated on an annual basis to determine its validity and effectiveness. The students shall, under the supervision of the licensee or licensee's manager, take the test required under (d) of this section. The licensee or licensee's manager, whoever supervises the test, shall certify to the course provider that the student did not receive outside help in taking the test and that no copies of the test have been kept.

- (f) The board will issue a certificate of approval for each alcohol server education course the board approves. Certificates of approval may not be transferred.
 - (g) A course provider shall
- (1) maintain records of each student's participation, and completion of server training, including rural training;
 - (2) use, at a minimum, the course approved by the board; and
 - (3) make its records available to peace officers or board investigators.
- (h) An organization or association that has received board approval for an alcohol server education course shall apply for board reapproval within 33 months of last board approval.

 Application must be made on a form provided by the board. If application for reapproval is not approved by the board within 36 months after last board approval, training must cease. The application for reapproval must state the following for training provided since the last application:
 - (1) the number and names of students trained;
 - (2) the locations and dates of training; and
 - (3) the names of instructors.
- (i) The board will, in its discretion, terminate approval of a course if the board determines that the course is not being presented as approved, that records are not being

COURSE APPROVED UNDER (F) OF THIS SECTION WITHIN 36 MONTHS OF 4/1/93.]

section shall advise the board of the methods used to train and certify the instructors providing

the training.

(k) A provider of an alcohol server education course approved by the board under this