



## MEMORANDUM

TO: Bob Klein, Chair, and Members of the Alcoholic Beverage Control Board      DATE: April 29, 2019

FROM: Erika McConnell, Director      RE: Regulations Project: Online Server Education Course; Fee for Server Education Course

**Statutory Authority:** AS 04.06.100(a): “The board shall adopt regulations governing the manufacture, 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:** Public comment period closed April 19, 2019

**Proposal:** This proposal

- amends 3 AAC 304.465 to replace “happy hour laws” with “pricing and marketing laws” as a subject that must be covered by a server education course;
- defines rural premises as licensed premises as not on a statewide road system or further than 50 miles on a road system from a community where a course is held, rather than offered;
- repeals 3 AAC 304.465(j) which related to certain actions that needed to be taken in the mid-1990s and is no longer relevant; and
- adds an \$800 fee for review of a new server education course and re-review of existing server education courses.

One public comment was received and is attached.

**Board options:**

- Vote to adopt.
- Amend and put out for public comment.
- Send back to staff for additional revisions.

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 304.465(c)(8) is amended to read:

(8) **pricing and marketing** [HAPPY HOUR] laws;

3 AAC 304.465(e) is amended to read:

(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 **held** [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.

3 AAC 304.465(j) is repealed:

(j) Repealed \_\_/\_\_/\_\_\_\_.

3 AAC 304.465 is amended by adding a new subsection to read:

(l) The fee for a new server education course or for review of an existing server education course is \$800.

**Authority:** AS 04.06.090      AS 04.06.110      AS 04.21.025  
AS 04.06.100

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April 9, 2019

Alcoholic Beverage Control Board  
[amco.regs@alaska.gov](mailto:amco.regs@alaska.gov)

Re: Proposed Regulatory Changes Regarding Alcohol Server Education Courses

Dear members of the Alcoholic Beverage Control (ABC) Board:

While I agree that there should be a fee to cover the administrative costs of the Alcohol & Marijuana Control Office (AMCO) staff review of a proposed server education course, the fee should be appropriate and proportionate.

The ABC Board recently increased alcohol license application fees to \$500 per new/transfer application and \$300 per renewal application. From my 7.5 years of experience reviewing and processing alcohol license applications and working closely with the AMCO enforcement team, I can say with certainty that the administrative costs of reviewing and processing a license application far exceed those of reviewing an alcohol server education course.

I would recommend that the Board consider a \$250 fee for a new alcohol server education course, since there is a relatively large amount of material that needs to be reviewed. \$800 is exorbitantly high – there is no logical reason why it would take a staff member so many hours to determine whether a proposed course meets requirements.

The reapproval fee should be minimal – maybe \$50 – as staff-review time should be insignificant. As far as I can tell, an application form for Board reapproval of an existing course (contemplated under 3 AAC 304.465(h)) does not exist. The regulatory requirements for reapproval state only minimal information (number and names of students trained, locations and dates of training, and names of instructors) must be provided on the application.

Thank you for your consideration and interest in continuing to adequately educate Alaskans.

Respectfully,

A handwritten signature in green ink, appearing to read 'Sarah D. Oates', is written over a faint, light-colored circular stamp or watermark.

Sarah D. Oates  
President & CEO  
Alaska CHARR