



MEMORANDUM

TO: Bob Klein, Chair, and Members of the Alcoholic Beverage Control Board DATE: August 14, 2018

FROM: Erika McConnell, Director RE: Permit Requests for Multiple Locations

Requested Action: Should there be a limit on the number of locations serving alcohol under one permit request?

Statutory Authority: AS 04.06.090(a): “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...”

Staff Rec.: In October, open a regulations project to clarify several permit issues

Background: At various times, AMCO receives a permit application for an event that is proposed to take place at multiple venues, with the participants walking (usually) between venues and having the opportunity to consume alcohol at each venue. These often take the form of an “Art Walk” or “Wine Walk”—participants walk from business to business within an area and are served beer or wine at each business. (Note: consumption is limited to each individual venue—alcohol is not consumed while walking from venue to venue.)

Applicable statutes and regulations:

AS 04.11.230. Caterer’s permit

(a) A caterer's permit authorizes the holder of a beverage dispensary license to sell or dispense alcoholic beverages at conventions, picnics, social gatherings, sporting events, or similar affairs held off the holder's licensed premises. The permit may only be issued for designated premises for a specific occasion and for a limited period of time.

(b) The written approval of a law enforcement agency having jurisdiction over the site of the occasion for which the permit is sought must be obtained and accompany the application.

AS 04.11.240. Special events permit

(a) 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...

(b) ... The written approval of the law enforcement agency having jurisdiction over the designated premises of the occasion for which the permit is sought must also be obtained and accompany the application.

3 AAC 304.697. Art exhibit permit

(a) An art exhibit permit authorizes the holder of a beverage dispensary license or a restaurant or eating place license to serve beer and wine for consumption at a specified site for an art exhibit event, or at more than one specified site used simultaneously for the same art exhibit event. Food must be provided in conjunction with the service of beer and wine. Service and consumption of beer and wine may occur only during the designated times in the designated areas of the specified sites as stated on the permit.

(b) *(not applicable)*

(c) Only one art exhibit permit may be exercised at any specified site on a single date. A holder may use a specified site for exercise of an art exhibit permit no more than 12 times per calendar year.

(d) The art exhibit permit or an exact copy must be posted conspicuously at each specified site at each art exhibit event during times when beer and wine are served and consumed.

(e) *(not applicable)*

(f) The fee for an art exhibit permit for multiple specified events in a calendar year is \$100. A multiple events permit may be exercised at no more than 12 specified events in a calendar year.

(g) An application for an art exhibit permit must be on forms provided by the board and accompanied by the appropriate fee. The written approval of the law enforcement agency having jurisdiction over the specified sites of the art exhibit events for which the permit is sought must also be obtained and submitted with the application.

(h) An application for an art exhibit permit must clearly identify

(1) each art exhibit event date;

(2) each specified site for each event date;

(3) the designated areas for the service and consumption of beer and wine at each specified site for each event date; and

(4) the time during which beer and wine will be served and consumed at each specified site for each event date.

(i) The holder of a multiple events art exhibit permit may submit a written request for amendment of the permit to change event dates, specified sites, designated areas, or designated times. The request must be submitted to the director in writing at least seven days before the event and must include the written approval of the law enforcement agency having jurisdiction over the specified sites.

(j) *(not applicable)*

(k) For purposes of this section, "art exhibit event" or "event" means a public event involving an art display or similar activity approved by the board that is held on a single date at one or more art galleries, art studios, art stores, art dealer stores, or museums.

As you can see, the art exhibit event specifically contemplates the permit covering multiple locations. However, the caterer's permit and the special events permit are less clear. They both say the permit may be issued "for designated premises" which is not the singular, but then in a later section they reference local law enforcement having jurisdiction over "the site" and "the designated premises."

I have approved permits for events with multiple locations. However, recently we received a permit application for an event that was spread throughout sixteen blocks of a community (a community of almost 4,000 people) with 26 different venues where alcohol would be served. I approved it as that was consistent with prior approvals, but I was uncomfortable with the scope of the event—both in

number and separation—under a single permit. After the event was over, we discovered that at one of the 26 venues, the service area had not been segregated as was shown in the submitted/approved diagram, and in a video posted on the business’s Facebook page, the server at the wine table appears to wander off at one point leaving the table unstaffed. It seems apparent from this that such a large number of locations may not be able to be maintained and monitored by a single responsible party.

Given the frequency with which permitting issues are raised in our office, either by staff or licensees or other permittees, there would be value in addressing these issues through regulation. As the board wishes to limit the opening of regulations projects to alternate meetings, staff will bring this issue back to the board at the next meeting.