



MEMORANDUM

TO: Bob Klein, Chair, and Members of the
Alcoholic Beverage Control Board

DATE: August 14, 2018

FROM: Erika McConnell, Director

RE: Regulations Change: Wine
Auction Permit

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: Revised draft for board to consider opening a regulations project

Background: Staff has received inquiries various times about the ability to raffle a basket containing wine or to hold a wine pull—an event where mystery bottles of wine are sold for a single price. These activities are used as fundraisers but are not compliant with our statutes and regulations. The current regulation regarding a wine auction permit states that wine may be sold “by outcry or silent auction.”

This proposed change would allow wine raffles and wine pulls to be held with a wine auction permit. A wine raffle meets the three criteria of gambling—contribution, element of chance, and prize—so a gaming permit from the state of Alaska is required to hold a wine raffle. A definition of “wine pull” is proposed.

3 AAC 304.699(a) is amended to read:

(a) A wine auction permit authorizes the holder to sell wine **for consumption off the designated premises** by outcry or silent auction, **by wine pull, or, with a permit issued under AS 05.15, by raffle,** at designated premises for a specific occasion and limited period of time.

Only organizations that would be eligible for a special events permit under AS 04.11.240(a) are eligible for a wine auction permit, and only if all profits derived from the auction, **wine pull, or raffle** of wine are paid to the organization and not to an individual.

(Eff. 6/13/2003, Register 166; am ___/___/____, Register _____)

3 AAC 304.990 is amended by adding a new subsection to read:

(b) “wine pull” means the offering of individual unidentified bottles of wine for a fixed price per bottle, where some bottles are valued at less than the fixed price and other bottles are valued at more than the fixed price. (Eff. 4/28/84, Register 90; am 6/13/2003, Register 166; am. ___/___/____, Register _____)

Authority: AS 04.06.090 AS 04.06.100 AS 04.11.010