



## MEMORANDUM

TO: Alcoholic Beverage Control Board      DATE: July 9, 2019

FROM: Erika McConnell, Director      RE: Regulations Project: Definition of  
"Recreational Opportunities"

**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:** Tabled in June of 2018 for additional revisions

**Background:** Manufacturing licensees (breweries, distilleries, and wineries) have restrictions on the activities that can occur on their licensed premises, if they offer onsite consumption of their products. AS 04.11.130(e) for brewery licenses states:

- (e) Unless prohibited by AS 04.16.030, a holder of a brewery license may sell not more than 36 ounces a day of the brewery's product to a person for consumption on the premises if
- (1) the brewery does not allow live entertainment, televisions, pool tables, dart games, dancing, electronic or other games, game tables, or other recreational or gaming opportunities on the premises where the consumption occurs;
  - (2) the brewery does not provide seats at the counter or bar where the product is served; and
  - (3) the room where the consumption occurs is not open before 9:00 a.m. and serving of the product ends not later than 8:00 p.m.

Similar language is located at AS 04.11.170(e) for distilleries and at 3 AAC 304.380 for wineries.

At the January 23, 2018, board meeting, staff asked for board guidance on "live entertainment, televisions, pool tables, dart games, dancing, electronic or other games, game tables, or other recreational or gaming opportunities"; particularly "live entertainment" and "other recreational...opportunities."

At that meeting, the board opened a regulations project to clarify "entertainment" and "other recreational opportunities." A draft was brought to the board at the June 12, 2018, meeting. The board directed staff to strengthen the language to better reflect the legislative intent that these licenses are manufacturers, not retailers.

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A revised proposal is provided, which adds to and attempts to clarify the list of activities that qualify as “recreational or gaming opportunities.”

Board options:

- Put out for public comment.
- Amend and put out for public comment.
- No action.



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

(b) For the purpose of AS 04.11.130, AS 04.11.170, and 3 AAC 304.380, “other recreational or gaming opportunities” includes

- (1) festivals;
- (2) games and competitions;
- (3) classes;
- (4) parties, except for private parties limited to specific invited guests;
- (5) presentations or performances;
- (6) other types of organized social gatherings that are advertised to the general

public. (Eff. \_\_\_/\_\_\_/\_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 04.06.090 AS 04.06.100 AS 04.11.130  
AS 04.11.140 AS 04.11.170