



MEMORANDUM

TO: Alcohol Beverage Control Board

FROM: Rick Helms, Program Coordinator

DATE: August 11, 2021

RE: Board consideration of a final determination by the Executive Director.

Issue: This is a matter of potentially offering for sale/selling wine of a third-party (non-licensee) at an on-line auction by a Package store licensee. Alaska Premier Auctions and Appraisers, LLC (Owner) Alaska Premier Liquor (Establishment) License No. 5948 would like to sell bottles of wine (reportedly almost 450) at auction. The licensee was under the belief at some point that nothing in AS 04.11.150 (Package store license) prohibited the sale of third-party wine in this manner. Nevertheless, the licensee contacted AMCO to determine if it was permissible. The licensee was informed it was not.

Discussion: Selling alcohol beverages from and by a Package store at auction is permissible as long as the actual pick up of the associated transaction is by an individual at least 21 years of age, taking place at the licensed premises, and otherwise complies with any other applicable laws and regulations.

Here, the licensee wishes to offer for sale/sell wine from a third-party (a non-licensee). Accordingly, the licensee was directed to AS 04.16.172 where a licensee under AS 04.11.150 (Package store license) is expressly prohibited from offering for sale an alcoholic beverage unless the alcoholic beverage was obtained from an appropriate licensee. In this case, the wine is coming from a private party/third-party (estate) that is not a licensee as required in AS.04.16.172. The statute reads in full:

04.16.172. Restrictions on purchase and sale of alcoholic beverages.

A person licensed under AS 04.11.090, 04.11.100, 04.11.110, or 04.11.150 may not purchase, sell, or offer for sale an alcoholic beverage unless the alcoholic beverage being purchased, sold, or offered for sale was obtained from a person licensed under

- (1) AS 04.11.160 as a primary source of supply for the alcoholic beverage being purchased, sold, or offered for sale;
- (2) AS 04.11.150 and the alcoholic beverage being purchased, sold, or offered for sale was obtained from a person licensed under AS 04.11.160 as a primary source of supply; or
- (3) AS 04.11.130, 04.11.140, or 04.11.170.

Note: Wine Auction permits available under 3 AAC 304.699 are not an option for this licensee as those permits are only available to organizations identified in AS 04.11.240(a); these are nonprofit, fraternal civic, or patriotic organizations active for a period of at least two years.