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Note: Trade practices is a new law created by SB9.

Sec. 04.16.017. Trade practices. (a) A person holding a license under AS 04.09.020, 04.09.030, 04.09.040, 04.09.100, or 04.09.110 or engaged in the alcoholic beverage industry in another state or country as a brewer, vintner, distiller, or importer, or as an agent of a brewer, vintner, distiller, or importer, may not, except as provided in regulations adopted by the board under (b) of this section, induce a person holding a license under this title to

(1) operate as a tied house by inducing a retailer engaged in the sale of alcoholic beverages to purchase products from an entity to the exclusion, in whole or in part, of products sold or offered for sale by other entities by

(A) furnishing, giving, renting, lending, or selling to the retailer equipment fixtures, signs, supplies, money, services, or other things of value, except those excluded in regulation and determined to be not contrary to the public interest or contrary to the intent of this subsection;

(B) paying or crediting the retailer for an advertising, display, or distribution service;

(C) guaranteeing a loan or the repayment of a financial obligation of the retailer;

(D) extending to the retailer credit for a period in excess of the credit period usual and customary to the industry for the particular class of transactions; or

(E) requiring the retailer to take and dispose of a certain quota of the products;

(2) operate as an exclusive outlet by requiring that a retailer engaged in the sale of alcoholic beverages purchase products from an entity to the exclusion, in whole or in part, of alcoholic beverages sold or offered for sale by other entities;

(3) purchase products from an entity to the exclusion, in whole or in part, of products sold or offered for sale by other entities by

(A) commercial bribery; or

(B) offering or giving any bonus, premium, or compensation to an officer, employee, or representative of the licensee;

(4) enter into an agreement for consignment sales, or to purchase, offer to purchase, or contract to purchase products on consignment, under conditional sale, or with the privilege of return on any basis other than a bona fide sale, or where part of the transaction involves, directly or indirectly, the acquisition by an entity from the licensee or the entity's agreement to acquire from the licensee other alcoholic beverages, except that this paragraph does not apply to transactions involving solely the return of merchandise for ordinary and usual commercial reasons arising after the merchandise has been sold.

(b) The board shall adopt regulations providing exceptions to the practices listed under (a) of this section that are

(1) consistent with federal law at the time of the effective date of this section;

(2) necessary to avoid practical difficulty or undue hardship on a licensee;

(3) in the best interests of the public; and

(4) consistent with the requirements of this title.

(c) The board shall adopt regulations establishing administrative penalties for a violation of this section.

(d) In this section, "commercial bribery," "consignment sales," "exclusive outlet," and "tied house" have the meanings given in 27 U.S.C. 205 and regulations adopted under that section.