

ALCOHOL AND MARIJUANA CONTROL OFFICE

550 W 7TH AVENUE, STE 1600 Anchorage, AK 99501 Main: 907.269.0350

To: Alcoholic Beverage Control Board

Date: December 2, 2025
From: Kevin Richard, Director
RE: Director's Report

• Introduction

• This report summarizes the activities of the Alcohol and Marijuana Control Office (AMCO) from the last board meetings held in September 2025.

• Discussion Topics

o AO 360

- Administrative Order 360 was issued on August 4th, 2025. This order rescinded and replaced AO 157 and AO 266. There are multiple goals and outcomes associated with this AO, culminating in a reduction of the number of regulatory requirements by 15% by December 31, 2026, and 25% (cumulative) by December 31, 2027.
- The ABC Board has been provided with the initial calculations of baseline regulatory requirements, and the first stakeholder meeting has been held. The next stakeholder meeting is scheduled for December 9th at 10:00AM. AMCO will continue to work with the Board on a regulatory reform plan.

Licensing

 Sonya Irwin will update you on the progress that has been made since the September 2025 board meetings.

Enforcement

• Investigator Joe Bankowski will update you on the activities of the AMCO Enforcement Unit since the September board meetings. There are currently three vacancies in the Enforcement Unit. Recruitment is approved for two of these positions.

Administrative

The AMCO Administrative Unit has a vacancy for an Administrative Assistant II position. The recruitment waiver has been submitted and approved. There is a vacancy for a Regulatory Specialist 2 that is pending a recruitment waiver.

Legislative Review

- Currently, AMCO is monitoring the following bills in preparation for the upcoming legislative session:
 - HB 37: Alcohol Warning Signs On Lic. Premises
 - o Sponsor: Representative Gray
 - o Current Status: (H)L&C
 - HB 68: Alcohol: Sale, Warning Signs



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- O Sponsor: House Labor & Commerce
- Current Status: (H)HSS
- HB 155: Alcohol Sales: Local Option
 - o Sponsor: Representative Foster
 - o Current Status: (H)CRA
- HB 182: Alcohol License: Live Music/Entertainment
 - o Sponsor: Representative Holland
 - o Current Status: (H)RLS
- Topics to be Considered
 - Regulations Projects
 - AO 360 has become the framework for regulatory work for the time being.
 AMCO will work with the ABC Board to submit a proposed regulatory reform plan.
 - o AMCO Request for Board Guidance on Abandoned Applications
 - AMCO Licensing Examiners have requested that the board provide input and guidance on how to best manage licensees that choose not to respond to licensing examiners in a timely fashion.
 - o AMCO Budget Report
 - A budget report is provided per AS 04.06.075.
 - O Clarification of 3 AAC 305.660(a)
 - At the previous board meeting, the ABCB requested clarification of 3 AAC 305.660(a) regarding overlapping premises.

• Next Board Meeting

 The next Alcoholic Beverage Control Board meeting is scheduled for February 3rd in Juneau, AK. If required, a special meeting may be scheduled at the discretion of the Chair.

Kevin Richard

Director

Alcohol & Marijuana Control Office

kevin.richard@alaska.gov



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November 14, 2025

To: Alcoholic Beverage Control Board

From: Kevin Richard, Director

RE: Request for Board Discussion on Non-Responsive Licensees

Dear Alcoholic Beverage Control Board members,

In October, AMCO licensing examiners asked me to follow up with several licensees that had pending applications. A review of the license file showed that licensing examiners reached out to these licensees multiple times in the preceding months to get the information required to complete the application. The outreach numbers ranged from 4 e-mails in two months to 19 e-mails in 8 months. This is in addition to phone calls made by the licensing examiners. Licensees were non-responsive.

I sent notice to each of these licensees that final license action was to be taken, and each licensee responded within a few days. This has raised a concern that some licensees choose to not respond to licensing examiners in a timely fashion.

AMCO's alcohol licensing section comprises three licensing examiners and a supervisor. This team is responsible for processing the applications of over 2,000 licensees. Each renewal cycle approximately 900-1,000 renewal applications are examined during the 79 working days between Nov. 1st and Feb. 28th. Each time a licensing examiner must request additional information from a licensee, it slows the processing of other applications.

AMCO is committed to servicing the alcohol industry. We understand that licensees will need assistance in completing applications, and we are happy to provide that service. Assistance is provided via e-mail, phone calls, Teams, in-person visits, or any other method a licensee requires. However, it is inefficient for licensing examiners to repeatedly request information from a licensee who chooses not to respond.

AMCO is asking the Alcoholic Beverage Control Board to provide guidance on how best to handle non-responsive licensees. We are looking for a solution that is respectful not only to staff, but licensees that are responsive and timely.

Thank you,

Kevin Richard Director



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Regulations Concerning Abandoned Applications

3 AAC 11.400. Abandoned applications. (Deferred Deposit Advances)

- (a) An application is considered abandoned if the department does not receive any response from the applicant or licensee for 60 days after the department assigns a notice of deficiency to the record of the applicant or licensee in the registry.
- (b) An abandoned application is denied without prejudice and all fees are forfeited.

3 AAC 13.070. Abandoned applications. (Money Services)

- (a) An application is considered abandoned if the department does not receive any response from the applicant or licensee for 60 days after the department assigns a notice of deficiency to the record of the applicant or licensee in the registry.
- (b) An abandoned application is denied without prejudice and all fees are forfeited.

3 AAC 14.085. Abandoned applications. (Mortgage Lending)

- (a) An application is considered abandoned if the department does not receive any response from the applicant, licensee, or registered depository institution for 60 days after the department assigns a notice of deficiency to the record of the applicant, licensee, or registered depository institution in the registry.
- (b) An abandoned application is denied without prejudice and all fees are forfeited.

11 AAC 39.650. Incomplete application. (Agricultural Revolving Loan Fund)

If an application is incomplete, and submission is not waived, the board will send the applicant a letter requesting the information not submitted. If the applicant does not submit the requested information within 30 days after the date of the request letter, and extraordinary circumstances justifying failure to submit the requested information are not present, the application will be denied.



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12 AAC 02.910. Abandoned applications. (General Occupational Licensing Functions)

- (a) Except if procedures are otherwise expressly provided in this title for a particular board or occupation, an application is considered abandoned when
- (1) 12 months have elapsed since correspondence was last received from or on behalf of the applicant; or
 - (2) the applicant has failed to appear for two successive examinations.
- (b) An abandoned application is denied without prejudice and the application fee forfeited.
- (c) At the time an application is considered abandoned, the division will send notification of abandonment to the last known address of the applicant. An applicant may request a refund of all unused examination and licensing fees credited to the application by submitting a written request for refund within 30 days from the date notification of abandonment was mailed by the division. If no request for refund is received, all fees are forfeited.

13 AAC 67.040. Incomplete and abandoned applications. (Civilian Process Servers)

- (a) An application is incomplete if it does not include all of the information, signatures, notarizations, and supporting documents required in 13 AAC 67.030.
- (b) If an incomplete application is received by the department, or an application is made on an obsolete form, the department will return the application and all supporting documents to the applicant. If the applicant completes the application process within one year of the date of the initial application, a new application fee is not required.
- (c) In the absence of special circumstances, the department will consider an application abandoned if the applicant fails to appear for examination at the time fixed without first obtaining a postponement, or the applicant, after two postponements, fails to appear for examination at the time fixed. An abandoned application is denied without prejudice.



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December 3, 2025

To: Alcoholic Beverage Control Board

From: Kevin Richard, Director

RE: Annual Budget Report Required

AS 04.06.075(c)

Under AS 04.06.075(c) "The director shall prepare and submit to the board an annual budget for the board that includes funding for administration, enforcement, education, training, and prevention activities under this title."

Current FY26 Expenditure and Revenue Projections for the Alcohol component of AMCO are:

Revenues

Total	\$2,868,950
General Funds are to offset SB55 PERS actuarial rate changes	
General Funds	\$19,150
Program Receipts	\$2,849,800

Program Receipts

Personal Services (Employees)	\$1,962,050
Travel	\$130,400
Inter-Agency Services	\$728,650
Commodities	\$47,850
Total Administration	\$2,868,950

Enforcement

Travel	\$48,665
Total	\$652,050

Sincerely,

Kevin Richard

Director



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November 24, 2025

To: Alcoholic Beverage Control board

From: Kevin Richard, Director

RE: 3 AAC 305.660(a) Overlapping Licensed Premises

In the September 2025 board meeting, a question arose when deciding whether The Last Frontier Brewing Company LLC, Lic. 1240, may continue to operate as an overlapping premises with the adjacent brewery manufacturer (5593) and brewery retail (15257) licenses owned by Last Frontier Inc. According to Tab 50 from the meeting, this business model is already in place and has existed historically for some time.

The Board asked for clarification of 3 AAC 305.660(a), "the board may approve an application for overlapping premises for two or more licenses owned by the same person or group of persons required to be identified in an application submitted under AS 04.11.260." Subsection (i) provides that the restrictions provided in (a) "does not apply to overlapping premises for two or more licenses approved by the board before January 1, 2024."

Although AS 04 and 3 AAC 305 do not define the term "person," the state legislature defines a "person" for legal purposes as including "a corporation, company, partnership, firm, association, organization, business trust, or society, as well as a natural person." *See* AS 01.01.060(a)(8).

Based on the information provided, Last Frontier Brewing Co. was most likely approved for overlapping premises prior to January 1, 2024. If that is the case, Last Frontier Brewing Co. may continue operating with overlapping licensed premises. If there is confusion in the industry about 3 AAC 305.660, AMCO may want to consider clarifying its understanding of the regulation by publishing an advisory notice.

Regarding the follow-up questions, the ownership percentages of each "person" for each business entity is immaterial because a business entity is considered a legal "person." Consequently, the ownership of overlapping licenses post-2023 must be identical regardless of whether the owner or group of owners are natural persons or business entities. Sincerely,

Kevin Richard

Director