

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

3 AAC 305.165 is amended by adding a new paragraph to read:

(12) \$ _____ for an authorization to obtain non-denatured alcohol. (Eff. 1/1/2024, Register 248; am ____/____/_____, Register _____)

Authority: AS 04.06.005 AS 04.11.050 AS 04.11.480
AS 04.06.090 AS 04.11.055 AS 04.11.510
AS 04.06.100 AS 04.11.330 AS 04.21.060
AS 04.11.045

3 AAC 305 is amended by adding a new section to read:

3 AAC 305.240. Authorization to obtain non-denatured alcohol. (a) A person without a distillery manufacturer license issued under AS 04.09.040 may not manufacture non-denatured alcohol but may apply for an authorization to obtain non-denatured alcohol from a distillery manufacturer licensed under AS 04.09.040 as set out in this section. A distillery manufacturer licensed under AS 04.09.040 may hold an authorization to obtain non-denatured alcohol. The authorization permits its holder to

(1) acquire 80 to 200 proof non-denatured alcohol from a distillery licensed under AS 04.09.040; and

(2) use 80 to 200 proof non-denatured alcohol for scientific, pharmaceutical, manufacturing, mechanical, or industrial purposes.

(b) An applicant for an authorization to obtain non-denatured alcohol shall apply in writing using the application form approved by the board. The director may refuse to approve an incomplete application, or an application not accompanied by the documents or disclosures required by the application form. The director may refuse to issue an authorization to obtain non-denatured alcohol, and may cancel or revoke the authorization, if the person makes a false statement to the board or uses or proposes to use the non-denatured alcohol other than for scientific, pharmaceutical, manufacturing, mechanical, or industrial purposes.

(c) A person with an authorization to obtain non-denatured alcohol shall keep a record of all non-denatured alcohol obtained from a distillery manufacturer licensed under AS 04.09.040. The record must include the date and amount of all non-denatured alcohol acquired. The record

must be kept for a minimum of two years from the date of acquisition of the non-denatured alcohol. The authorization holder shall allow the board to audit the authorization holder's records upon request and shall make those records available to the board's main office not later than 14 days after the board's request and not later than 60 days after the board's written notice.

(d) For purposes of this section, non-denatured alcohol means food-grade ethanol intended for human consumption, but excludes alcoholic beverages as defined at AS 04.21.080(b).

Authority: AS 04.06.090 AS 04.06.100 AS 04.09.040