

Title 5

BUSINESS LICENSES AND REGULATIONS

Chapters:

- 5.04 Alcoholic Beverages**
- 5.05 Open Bottles of Alcoholic Beverages**
- 5.08 Itinerant Merchants**
- 5.10 Marijuana Establishments**
- 5.20 Vehicles for Hire**

Chapter 5.04**ALCOHOLIC BEVERAGES**

Sections:

- 5.04.010 Alcoholic beverage defined.
- 5.04.020 State license required.
- 5.04.030 Hours of consumption.
- 5.04.040 Access of persons under the age of 21 to licensed premises.
- 5.04.050 Possession or consumption by persons under the age of 21.
- 5.04.060 Furnishing of alcoholic beverages to persons under the age of 21.
- 5.04.070 Furnishing of alcoholic beverages to persons under the age of 21 by licensees.
- 5.04.080 Purchase by persons under the age of 21.
- 5.04.090 Unlawful drinking on premises.
- 5.04.110 Solicitation of alcoholic beverages.
- 5.04.120 Sale or disposition of alcoholic beverages to drunken persons.
- 5.04.130 Access of drunken persons to licensed premises.
- 5.04.140 Obligation to enforce restrictions within licensed premises.
- 5.04.150 Stock to be kept on premises.
- 5.04.160 Right of inspection.
- 5.04.170 Playing of music – Restriction.
- 5.04.180 Clubs – Serving restriction.
- 5.04.200 Possession of dangerous weapons (knives) prohibited.
- 5.04.210 Penalties for violations.

5.04.010 Alcoholic beverage defined.

As used in this chapter, “alcoholic beverage” means, but is not limited to, whiskey, brandy, rum, gin, wine, ale, porter, beer and all other spirituous, vinous, malt, and other fermented or distilled liquors intended for human consumption and containing more than one percent alcohol by volume. [Ord. 243 § 4, 1985.]

5.04.020 State license required.

No person shall manufacture, sell, offer for sale, possess for sale or barter, traffic in or barter an alcoholic beverage unless under license or permit obtained pursuant to state law. The licensees referred to herein are the parties having such

licenses from the state of Alaska. [Ord. 243 § 5, 1985; Ord. 118 § 3, 1973.]

5.04.030 Hours of consumption.

A. A person may not sell, offer for sale, give, furnish, deliver or consume an alcoholic beverage on any licensed premises within the city between the hours of 3:00 a.m. and 8:00 a.m. on any day of the week.

B. A licensee, his agent, or employee may not permit a person to consume alcoholic beverages on the licensed premises between the hours of 3:00 a.m. and 8:00 a.m. on any day of the week.

C. A licensee, his agent, or employee may not permit a person to and a person may not enter licensed premises between the hours of 3:00 a.m. and 8:00 a.m. any day of the week; provided, however, this restriction does not apply to common carriers as defined in AS 42.10.420(2), or to an employee of the licensee who is on the premises to prepare for the next day’s business or to persons remaining on the premises of a restaurant or eating place to consume food or nonalcoholic beverages. [Ord. 243 § 6, 1985; Ord. 186, 1981.]

5.04.040 Access of persons under the age of 21 to licensed premises.

A. A person under the age of 21 years may not knowingly enter or remain in licensed premises unless:

1. Accompanied by a parent, guardian or spouse who has attained the age of 21 years;

2. The person is at least 16 years of age, the premises are designated by the Alaska Alcoholic Beverage Control Board as a restaurant for the purposes of AS 04.16, and the person enters and remains only for dining; or

3. The person is under the age of 16 years, is accompanied by a person over the age of 21 years, the parent or guardian of the underaged person consents, the premises are designated by the Alaska Alcoholic Beverage Control Board as a restaurant for the purposes of AS 04.16, and the person enters and remains only for dining.

B. Notwithstanding subsection (A) of this section, a licensee or an agent or employee of the licensee may refuse entry to a person under the age of 21 years to that part of licensed premises in which alcoholic beverages are sold, served, or consumed, may refuse service to a person under the age of 21

years, or may require a person under the age of 21 years to leave the portion of the licensed premises in which alcoholic beverages are sold, served, or consumed.

C. Notwithstanding any other provision in this section, a person between 16 and 19 years of age may enter and remain within the licensed premises of a hotel, restaurant or eating place in the course of employment if:

1. The employment does not involve the serving, mixing, delivering or dispensing of alcoholic beverages;

2. The person has the written consent of a parent or guardian;

3. An exemption from the prohibition of AS 23.10.355 has been granted by the Alaska Department of Labor. The Alaska Alcoholic Beverage Control Board, with the approval of the municipality and at the licensee's request, designates which premises are hotels, restaurants or eating places for the purposes of this subsection.

D. Notwithstanding any other provision in this section, a person 19 or 20 years of age may be employed within the licensed premises of a hotel, restaurant or eating place, may enter and remain within those premises for the purposes of employment, but may not, in the course of employment, sell, serve, deliver or dispense alcoholic beverages. [Ord. 243 § 7, 1985.]

5.04.050 Possession or consumption by persons under the age of 21.

A person under the age of 21 years may not knowingly consume, possess or control alcoholic beverages except those furnished persons under CMC 5.04.060(B). [Ord. 243 § 7, 1985.]

5.04.060 Furnishing of alcoholic beverages to persons under the age of 21.

A. A person may not furnish an alcoholic beverage to a person under the age of 21 years.

B. This section does not prohibit the furnishing of an alcoholic beverage:

1. By a parent to his child, by a guardian to his ward, or by a spouse to his or her legal spouse if the furnishing occurs off licensed premises; or

2. By a licensed physician or nurse to a patient in the course of administering medical treatment. [Ord. 243 § 7, 1985.]

5.04.070 Furnishing of alcoholic beverages to persons under the age of 21 by licensees.

A licensee or an agent or employee of the licensee may not with criminal negligence:

A. Allow another person to sell, barter or give an alcoholic beverage to a person under the age of 21 years within licensed premises;

B. Allow a person under the age of 21 years to enter and remain within licensed premises except as provided in CMC 5.04.040;

C. Allow a person under the age of 21 years to consume an alcoholic beverage within licensed premises; or

D. Allow a person under the age of 21 years to sell or serve alcoholic beverages. [Ord. 243 § 7, 1985.]

5.04.080 Purchase by persons under the age of 21.

A. A person under the age of 21 years may not purchase alcoholic beverages, or solicit another to purchase alcoholic beverages for the person under the age of 21.

B. A person may not influence the sale, gift or service of an alcoholic beverage to a person under the age of 21 years, by misrepresenting the age of that person.

C. A person may not order or receive an alcoholic beverage from a licensee, an agent or employee of the licensee, or another person, for the purpose of selling, giving or serving it to a person under the age of 21 years.

D. A person under the age of 21 years may not enter licensed premises where alcoholic beverages are sold and offer or present to a licensee or an agent or employee of the licensee a birth certificate or other written evidence of age, that is fraudulent or false or that is not actually the person's own, or otherwise misrepresent the person's age, for the purpose of including the licensee or an agent or employee of the licensee to sell, give, serve or furnish alcoholic beverages contrary to law.

E. A person under the age of 21 who is seeking to enter and remain in a licensed premises under CMC 5.04.040(A)(2) or (3) may not misrepresent the person's age or having obtained the consent of the parent or guardian required by that section. [Ord. 243 § 7, 1985.]

5.04.090 Unlawful drinking on premises.

It is unlawful for a licensee to permit the drinking of alcoholic beverages by any person upon the premises covered by his license unless such drinking is permitted under the license held by the licensee for such premises. [Ord. 243 § 8, 1985.]

5.04.110 Solicitation of alcoholic beverages.

A licensee, his agent or employee may not knowingly permit a person to loiter within or about licensed premises for the purposes of begging or soliciting a patron or visitor to purchase alcoholic or other beverages for the person who is begging or soliciting. [Ord. 243 § 10, 1985.]

5.04.120 Sale or disposition of alcoholic beverages to drunken persons.

A licensee, his agent or employee may not with criminal negligence:

A. Sell, give or barter alcoholic beverages to a drunken person;

B. Allow another person to sell, give or barter an alcoholic beverage to a drunken person within licensed premises;

C. Allow a drunken person to enter and remain within licensed premises or to consume an alcoholic beverage within licensed premises;

D. Permit a drunken person to sell or serve alcoholic beverages. [Ord. 243 § 11, 1985.]

5.04.130 Access of drunken persons to licensed premises.

A drunken person may not knowingly enter or remain on licensed premises. [Ord. 243 § 12, 1985.]

5.04.140 Obligation to enforce restrictions within licensed premises.

A licensee, his agent or employee may not permit the consumption of alcoholic beverages by any person within licensed premises unless it is permitted by the license. [Ord. 243 § 13, 1985.]

5.04.150 Stock to be kept on premises.

It is unlawful for a licensee to carry for sale any stock of alcoholic beverages except on the premises covered by his license. [Ord. 243 § 15, 1985; Ord. 118 § 4(F), 1973.]

5.04.160 Right of inspection.

It is unlawful for any licensee or his employee to refuse a law enforcement officer the right to inspect all of his licensed premises. [Ord. 243 § 16, 1985; Ord. 118 § 4(K), 1973.]

5.04.170 Playing of music – Restriction.

It is unlawful for any licensee to permit or cause the playing of any music or the reproduction of any music within licensed premises except during such hours as the premises are lawfully open for business. [Ord. 243 § 17, 1985; Ord. 118 § 4(L), 1973.]

5.04.180 Clubs – Serving restriction.

It is unlawful for any club to sell alcoholic beverages under a club license to any persons other than members of the club and their families. [Ord. 243 § 17, 1985; Ord. 118 § 4(O), 1973.]

5.04.200 Possession of dangerous weapons (knives) prohibited.

It shall be unlawful for any customer to carry or possess within licensed premises any knife with a straight blade of any length, or a folding knife with a blade in excess of three and one-half inches. [Ord. 243 § 20, 1985.]

5.04.210 Penalties for violations.

Any violation of this chapter shall be punished by the fine established in CMC 1.16.040 if the offense is listed in that fine schedule or by a fine of up to \$300.00 if the offense is not listed in the CMC 1.16.040 fine schedule. [Ord. 669 § 4, 2015; Ord. 266 § 4, 1988.]

Chapter 5.05**OPEN BOTTLES OF
ALCOHOLIC BEVERAGES**

Sections:

- 5.05.010 Consumption and possession in public places – Unlicensed establishments prohibited.
- 5.05.020 Exceptions – Permit.
- 5.05.030 Penalty.

5.05.010 Consumption and possession in public places – Unlicensed establishments prohibited.

A. It is unlawful for any person to consume any alcoholic beverage on the public streets, sidewalks, docks, floats, parks or in any other public place, including any store or establishment open to or doing business with the public not licensed to sell alcoholic beverages for consumption on the premises. The prohibition shall extend to consumption of alcoholic beverages while in motor vehicles at the places aforementioned.

B. It is unlawful for any person to have an open bottle, glass, can or other open container, containing an alcoholic beverage in their possession on the public streets, parks, in a motor vehicle, or in any other public place, including any store or establishment open to and doing business with the public not licensed to sell alcoholic beverages for consumption on the premises.

C. It is unlawful for any person or business organization which owns, operates or controls any public establishment or store to permit a violation of subsections (A) and (B) of this section to occur on the premises. [Ord. 243 § 22, 1985; Ord. 164 § 4, 1979.]

5.05.020 Exceptions – Permit.

CMC 5.05.010 shall be allowed only by prior issuance of a nonfee permit granted by the police department. [Ord. 164 § 4, 1979.]

5.05.030 Penalty.

Any violation of this chapter shall be punished by the fine established in CMC 1.16.040. [Ord. 669 § 4, 2015; Ord. 266 § 4, 1988.]

Chapter 5.08**ITINERANT MERCHANTS**

Sections:

- 5.08.010 Itinerant merchant defined.
- 5.08.020 License and sales tax deposit required.
- 5.08.030 License application.
- 5.08.040 Sales tax deposit.
- 5.08.050 Staff review.
- 5.08.060 Appeal to the council.
- 5.08.070 Exceptions.
- 5.08.080 Penalty.

5.08.010 Itinerant merchant defined.

“Itinerant merchant” is defined for the purpose of this chapter as any or all persons temporarily engaged in the sale of any goods, wares, merchandise, services, stocks and bonds or other articles within the city, peddled from house to house, sold upon the streets or other public places; or from any room, building, structure, lot or premises temporarily leased or rented for the purpose of carrying on such business, whether a resident of the city or not, who has no fixed place of business in the city. The person, firm or corporation so engaged shall not be relieved from complying with the provisions of this chapter merely by reason of associating temporarily with any local dealer, trader, merchant, or auctioneer, or by conducting such transient business in connection with, as a part of, or in the name of any local dealer, trader, merchant, or auctioneer. As used in this chapter, “temporary” means for a period contemplated to be less than 120 days per year. [Ord. 367 § 5, 1993.]

5.08.020 License and sales tax deposit required.

It is unlawful for any person to engage in the business of itinerant merchant in the city unless he has a current business license from the state of Alaska to do so, and until that person applies and receives an itinerant merchant license from the city, and has paid a sales tax deposit. License is to be carried on the person of the licensee at all times while he is actually engaged in the activity for which the license is granted. Such license shall be shown to anyone requesting to see the license while conducting business. [Ord. 367 § 5, 1993.]

5.08.030 License application.

Any person desiring to engage in the business of itinerant merchant within the city shall make application to the city. The license shall cost \$25.00 per month. Such application shall include:

A. The name and address of the person(s) intending to conduct business;

B. The name and address of the firm, corporation or partnership which the person(s) intending to conduct business represents, if applicable;

C. The kind of goods to be sold and a reasonable estimate of the total retail value of the goods available for sales;

D. The length of time that the person will be doing business in Craig;

E. Copy of state of Alaska business license;

F. The place where such business is to be conducted;

G. Review by the city clerk, planning department, public works department and police department, if applicable;

H. Deposit for sales tax as required in CMC 5.08.040. [Ord. 367 § 5, 1993.]

5.08.040 Sales tax deposit.

The license application shall be accompanied by the sales tax deposit of \$500.00 or five percent of the actual retail value of the goods available to be sold, whichever is greater. The required deposit shall be in cash or a cashier's check or bond. Within 30 days of completion of business in the city, the itinerant merchant shall file a sales tax return with the city and pay sales tax due. The sales tax deposit will be returned upon payment of sales tax. Failure to file a sales tax return within the prescribed period may result in forfeiture of deposit. [Ord. 444 § 4, 1998; Ord. 367 § 5, 1993.]

5.08.050 Staff review.

The itinerant merchant is only allowed to do business where permission has been granted by the property owner. Depending upon location and type of business, there may need to be staff review of the application in accordance with CMC 5.08.030(G). The city clerk's office will inform the police department of itinerant merchants currently licensed to do business within the city. [Ord. 367 § 5, 1993.]

5.08.060 Appeal to the council.

If any person(s) has been denied an itinerant merchant license, they have the right to appeal to the city council through the city administrator at the next regularly scheduled council meeting after denial. The applicant shall be entitled to a hearing before the council at which the council must either ratify or disapprove the action of the denial. [Ord. 367 § 5, 1993.]

5.08.070 Exceptions.

The provisions of this chapter shall not apply to:

A. Local nonprofit organizations making casual sales or raising funds;

B. The sale of personal goods or wares at such functions as garage sales or flea markets;

C. Fundraising activities of nonprofit organizations or groups which have filed with the state of Alaska under the provision of AS 10.20;

D. Commercial travelers who regularly take orders for goods in the usual course of business where orders are taken from residents of the state regularly engaged in wholesale or retail business and where no payment prior to delivering of such goods is required; or

E. The sale of fish or other seafood products. [Ord. 367 § 5, 1993.]

5.08.080 Penalty.

Any violation of this chapter shall be punished by the fine established in CMC 1.16.040 if the offense is listed in that fine schedule or by a fine of up to \$300.00 if the offense is not listed in the CMC 1.16.040 fine schedule. [Ord. 669 § 4, 2015; Ord. 367 § 5, 1993.]

Chapter 5.10**MARIJUANA ESTABLISHMENTS**

Sections:

- 5.10.010 Local regulatory authority.
- 5.10.020 Marijuana establishments prohibited.
- 5.10.025 Registration required.
- 5.10.030 Limits on number of marijuana establishments.
- 5.10.035 Hours of operation.
- 5.10.040 Identification requirement to prevent sale to person under 21.
- 5.10.050 Production of marijuana concentrates prohibited.
- 5.10.055 Prohibition on on-site consumption of marijuana.
- 5.10.060 Enforcement and inspection.
- 5.10.800 Definitions.
- 5.10.900 Penalties for violation.

5.10.010 Local regulatory authority.

A. The Craig city council shall be the local regulating authority responsible for processing applications submitted for a registration to operate a marijuana establishment within the boundaries of the local government under AS 17.38.110(c).

B. Complete copies of applications required by the Marijuana Control Board for new licenses, license renewals, changes of ownership, and transfer of licenses shall be submitted by the license applicant to the Craig city clerk on or before the same day that applications are submitted to the Marijuana Control Board. The city clerk will provide for city council and city staff review of the application and comment to the Marijuana Control Board within the time limits set by the board.

C. License applications shall be reviewed by the Craig building official to ensure compliance with local zoning code, distances from facilities provided for in 3 AAC 306.010(a), and related municipal ordinances. The Craig building official will forward comments on each application to the city clerk for city council review.

D. License applications shall be reviewed by the Craig police department and comments will be sent to the city clerk for city council review. [Ord. 678, 2016.]

5.10.020 Marijuana establishments prohibited.

Commercial marijuana cultivation, commercial marijuana manufacturing, and commercial marijuana testing facilities, as defined, licensed, or regulated by the Alaska Marijuana Control Board, are prohibited. [Ord. 678, 2016.]

5.10.025 Registration required.

A. All marijuana establishments shall be registered with the city as required by CMC 3.08.170, and be compliant with CMC Title 18. A registration may be issued only when:

1. A valid license has been issued by the Alaska Marijuana Control Board; and
2. The Craig building official certifies that the proposed marijuana establishment complies with CMC Title 18. [Ord. 678, 2016.]

5.10.030 Limits on number of marijuana establishments.

A. There shall be a limit on the number of licensed retail marijuana stores located within the municipal boundaries of the city of Craig as follows:

1. No more than two licensed retail marijuana stores. [Ord. 678, 2016.]

5.10.035 Hours of operation.

A licensed retail marijuana store may not conduct any business on, or allow any consumer to access, the retail marijuana store's licensed premises between the hours of 3:00 a.m. and 8:00 a.m. each day. [Ord. 678, 2016.]

5.10.040 Identification requirement to prevent sale to person under 21.

A. A licensed retail marijuana store shall refuse entry into the licensed premises to any person failing to produce a form of valid photo identification showing that person is 21 years of age or older. A valid form of identification includes:

1. An unexpired, unaltered passport;
2. An unexpired, unaltered driver's license; instruction permit, or identification card of any state or territory of the United States, the District of Columbia, or a province of Canada;
3. An identification card issued by a federal or state agency authorized to issue a driver's license or identification card.

B. A licensed retail marijuana store shall refuse to sell marijuana or a marijuana product to any person who does not produce a form of valid photo identification showing that person is 21 years of age or older. [Ord. 678, 2016.]

5.10.050 Production of marijuana concentrates prohibited.

A. No person may produce solvent based marijuana concentrate using the hydrocarbons N-butane, isobutene, propane, or heptane or other explosive or corrosive chemicals, solvents, or gases.

B. Any violation of this chapter is an infraction and shall be punished by the fine established in CMC 1.16.040 for violation of CMC 9.90.010.

C. Each day such violation is committed or permitted to continue shall constitute a separate offense and shall be punishable as such hereunder.

D. In this section, “concentrate,” “marijuana concentrate,” and “marijuana” have the meaning given in 3 AAC 306.990. [Ord. 678, 2016.]

5.10.055 Prohibition on on-site consumption of marijuana.

No licensed retail marijuana store shall permit consumption of marijuana or a marijuana product on the licensed premises within the city limits of Craig. A licensed retail marijuana store is considered a “public place” as the term is used at CMC 9.90.040. [Ord. 678, 2016.]

5.10.060 Enforcement and inspection.

A. The code enforcement officer shall be responsible for ensuring compliance, including all conditions of approval applied by state and local regulatory authorities, for marijuana establishments within the municipal boundaries of the city of Craig. The Craig police department shall assist the city’s code enforcement officer in the course of inspecting marijuana establishments, ensuring compliance with conditions of approval, and issuing citations for noncompliance of ordinances, regulations, and imposed license, zoning, and registration conditions.

B. It is unlawful for any licensee or employee of licensee to refuse a law enforcement officer, or code enforcement officer, access to and inspection of all areas of a licensed premises. [Ord. 678, 2016.]

5.10.800 Definitions.

In this section:

“Concentrate” or “marijuana concentrate” has the meaning given in 3 AAC 306.990.

“Marijuana” and “marijuana products” has the meaning given in AS 17.38.900.

“Marijuana establishment” and “licensed premises” means a commercial marijuana retail, cultivation, product manufacturing, or testing facility licensed by the state of Alaska under AS 17.38 and 3 AAC 306.

“THC” has the meaning given in 3 AAC 306.990.

“THC-bearing” means any product containing an amount equal to or greater than 0.01 milligrams of THC per gram of product, or 0.001 percent THC concentrate. [Ord. 678, 2016.]

5.10.900 Penalties for violation.

Any violation of this chapter is an infraction and shall be punished by the fine established in CMC 1.16.040 for violation of CMC 9.90.010. [Ord. 678, 2016.]

Chapter 5.20**VEHICLES FOR HIRE**

Sections:

- 5.20.010 Definitions.
- 5.20.020 Certificate of public convenience and necessity required.
- 5.20.030 Application for certificate.
- 5.20.040 Issuance of certificate.
- 5.20.050 Indemnity bond or liability insurance required.
- 5.20.055 Certificate – Term – Renewal.
- 5.20.060 License fees.
- 5.20.065 Vehicle for hire certificate – Transfer.
- 5.20.070 Suspension and revocation of certificates.
- 5.20.080 *Repealed.*
- 5.20.090 *Repealed.*
- 5.20.100 Equipment and maintenance.
- 5.20.110 Parking.
- 5.20.120 Fares.
- 5.20.130 Receipts.
- 5.20.140 Refusal of passenger to pay legal fare.
- 5.20.150 Solicitation, acceptance and discharge of passengers.
- 5.20.160 Prohibition of other vehicles.
- 5.20.165 Vehicle for hire service.
- 5.20.170 Operator’s permit required.
- 5.20.175 Operator’s permit – Application.
- 5.20.180 Current state driver’s license required.
- 5.20.185 Operator’s permit – Police investigation of applicant.
- 5.20.190 Operator’s permit – Consideration of application.
- 5.20.195 Operator’s permit – Issuance – Duration – Display – Annual fee.
- 5.20.200 Renewal of operator’s permit – Issuance of temporary permit.
- 5.20.205 Operator’s permit – Suspension and revocation.
- 5.20.210 Manifests.
- 5.20.215 Advertising.
- 5.20.220 Police to enforce chapter.
- 5.20.225 Violation – Penalties.

5.20.010 Definitions.

The following words and phrases when used in this chapter have the meanings as set out herein:

“Certificate” means a certificate of public convenience and necessity issued by the city council authorizing the holder thereof to conduct a vehicle for hire business in the city.

“Cruising” means the driving of a vehicle for hire on the streets, alleys or public places of the city in search of or soliciting prospective passengers for hire.

“Driver’s license” means a valid Alaska driver’s license.

“Holder” means a person to whom a certificate of public convenience and necessity has been issued.

“Manifest” means a daily record prepared by a vehicle for hire certificate holder of all trips made by the holder showing time and place of origin, destination, number of passengers, and the amount of fare of each trip.

“Open stand” means a public place alongside the curb of a street or elsewhere in the city, which has been designated by the city administrator as reserved exclusively for the use of vehicles for hire.

“Operator’s permit” means the permit issued by the Craig police department to a driver of a vehicle for hire company.

“Person” includes an individual, a corporation, or other legal entity, a partnership, and any unincorporated association.

“Place of origin” means specific address, including city or municipality, where the fare originates.

“Round trip” means if a person begins a trip in one city and goes into another city and the trip is not interrupted by more than a 30-minute period, then it shall be considered a round trip and the city of origin will have the right to all taxes due. If however, the trip is broken by more than 30 minutes, each city would be entitled to its fair share of the tax due as required and each city would be considered the place of origin.

“Shuttle” means any business transporting passengers over a fixed route.

“Vehicle for hire” means a motor vehicle regularly engaged in the business of carrying passengers for hire and not operated over a fixed route. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.020 Certificate of public convenience and necessity required.

No person shall operate or permit a vehicle for hire owned or shuttle service controlled by the person to be operated as a vehicle for hire upon the streets of the city without having first obtained a certificate of public convenience and necessity from the city council. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.030 Application for certificate.

An application for a certificate shall be filed with the city clerk upon forms provided by the city; and the application shall be verified under oath and shall furnish the following information:

- A. The name and address of the applicant;
- B. Any unpaid judgments or past due accounts payable to the city of Craig;
- C. The experience of the applicant in the transportation of passengers;
- D. Any facts which the applicant believes tend to prove that public convenience and necessity require the granting of a certificate;
- E. The number of vehicles to be operated or controlled by the applicant and the location of proposed depots and terminals, and fixed route if an application for shuttle business;
- F. The hours during which the applicant shall keep the place of business open for the purpose of receiving calls and dispatching vehicles for hire;
- G. The distinctive color scheme, including the color scheme of any lettering or numbers the applicant intends to apply to the exterior of each vehicle;
- H. The location and address of the off-street parking lots within the corporate limits of the city set aside and available for applicant's vehicles when such vehicles are not in service;
- I. A statement that the applicant has not been convicted of any of the following felony or misdemeanor offenses within the preceding five years:
 1. Prostitution or the promotion of prostitution;
 2. Sale, transportation, possession, or use of any controlled substance as defined in AS 11.71.140 through 11.71.190;
 3. Any offense which includes as an element the use or threat of force upon a person;
 4. Burglary, felony larceny, fraud, or embezzlement;
 5. Any sexual offenses; or

6. Two separate felonies of any type;
- J. A statement that the motorized vehicles to be used in the proposed operation are in a safe and legal operating condition together with a signed report to that effect issued within 60 days by a qualified mechanic approved by the chief of police or designee;

K. Proof of compliance with the insurance requirements of this chapter;

L. Such proof as the clerk may require establishing that the applicant will be independently engaged in the business for which the certificate is granted;

M. Such further information as the city administrator may require. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.040 Issuance of certificate.

A. If the council finds that further vehicle for hire or shuttle service in the city is required by the public convenience and necessity and that the applicant is fit, willing and able to perform such public transportation and to conform to the provisions of this chapter and the rules promulgated by the city administrator and the council, then the city administrator shall issue a certificate stating the name and address of the applicant, the number of vehicles authorized under the certificate, and the date of issuance; otherwise, the application shall be denied. In addition to conditions set forth in CMC 5.20.030, the applicant must meet the following additional requirements:

1. All sales, real and personal property taxes, utilities, interest, and penalties have been paid to the city;
2. All fines, penalties, and collection costs due to the city where the holder's public vehicle was involved have been paid, unless the vehicle was truthfully reported stolen at the time of the violation or offense; and

B. In making the above findings, the council shall take into consideration the number of vehicles for hire or shuttle services already in operation, whether existing transportation is adequate to meet the public need, the probable effect of increased service on local traffic conditions, and the character, experience, and responsibility of the applicant. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.050 Indemnity bond or liability insurance required.

A. No certificate of public convenience and necessity shall be issued or continued in operation unless there is in full force and effect an indemnity bond for each vehicle authorized in the amount of \$100,000 for bodily injury to any one person, and, subject to the limit for one person, in the amount of \$300,000 for injuries to more than one person which are sustained in the same accident, and \$50,000 for property damage resulting from any one accident. The bond or bonds shall inure to the benefit of any person who shall be injured or who shall sustain damage to property proximately caused by the negligence of a holder, holder's servants or agents. The bond or bonds shall be filed in the office of the city clerk, and shall have as surety thereon a surety from a company authorized to do business in the state.

B. The city administrator may, in the city administrator's discretion, allow the holder to file, in lieu of bond or bonds, a liability insurance policy issued by an insurance company authorized to do business in the state. The policy shall conform to the provisions of this section relating to the bonds. The policy shall contain a provision for notification of cancellation 30 days prior to such cancellation. Notice of cancellation shall be immediately filed with the city clerk. [Ord. 706 § 4, 2018; Ord. 588 § 4, 2007; Ord. 346 § 4, 1992.]

5.20.055 Certificate – Term – Renewal.

Every certificate issued under this chapter shall expire on the last day of January next following its issuance; certificates once issued may be renewed and reissued by the clerk upon application to the clerk. Holders may apply for renewal no later than 30 days before the certificate expiration date. Certificates will not be renewed unless:

A. All sales, real and personal property taxes, utilities, interest, and penalties have been paid to the city;

B. All fines, penalties, and collection costs due to the city where the holder's public vehicle was involved have been paid, unless the vehicle was truthfully reported stolen at the time of the violation or offense; and

C. The holder submits a signed report issued within 60 days from a qualified mechanic, approved by the chief of police or his designee, that

each of the motorized vehicles operated under the certificate are in safe and legal operating condition, and proof of compliance with the insurance requirements of this chapter. [Ord. 706 § 4, 2018.]

5.20.060 License fees.

No certificate shall be issued or continued in operation unless the holder thereof has paid an annual license fee of \$100.00 for the right to engage in the vehicle for hire or shuttle business and \$20.00 each year for each vehicle operated under a certificate of public convenience and necessity. License fees shall not be prorated. The license fees shall be for the calendar year, and shall be in addition to any other license fees or charge established by proper authority and applicable to the holder or the vehicle under the holder's operation and control. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.065 Vehicle for hire certificate – Transfer.

No vehicle for hire certificate may be sold, assigned, leased, or otherwise transferred without the consent of the council. Any sale, assignment, lease, or transfer of such certificate without the consent of the council is void, and the certificate revoked. Prior to revocation of any certificate under this section, the certificate holder participating in any assignment, lease, or transfer shall be sent notification and shall have an opportunity to be heard by the council. [Ord. 706 § 4, 2018.]

5.20.070 Suspension and revocation of certificates.

A. A certificate issued under the provisions of this chapter may be revoked or suspended by the city administrator if the holder thereof has:

1. Violated any of the provisions of this chapter;
2. Discontinued operations for more than 15 days;
3. Violated any ordinances of the city or the laws of the United States or the state, the violations of which reflect unfavorably on the fitness of the holder to offer public transportation;
4. Failed to pay city sales tax quarterly as required;
5. Failed to maintain the vehicles in safe and legal condition;

6. Failed to exercise reasonable supervision or control over its drivers and vehicles or failed to establish reasonable safeguards when such failure contributed either directly or indirectly to any of the acts described in CMC 5.20.190(B), (C), (D), or (E); or

7. Where there are any fines, penalties, and collection costs due the city under CMC Title 10 where the holder's public vehicle was involved, unless the vehicle was truthfully reported stolen at the time of the violation or offense.

B. A certificate suspended or revoked under this section may be reinstated upon payment of the amounts due to the city.

C. Prior to suspension or revocation, the holder shall be given notice of the proposed action to be taken, and shall have an opportunity to be heard, with right of appeal to the council. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.080 Vehicle for hire driver's license.

Repealed by Ord. 706. [Ord. 346 § 4, 1992.]

5.20.090 Display of license.

Repealed by Ord. 706. [Ord. 346 § 4, 1992.]

5.20.100 Equipment and maintenance.

A. The owner of a vehicle for hire or shuttle service shall be fully and solely responsible for ensuring that said vehicle shall be routinely and regularly repaired, maintained and inspected as may be required by federal or state law or regulation governing such vehicle, and shall further ensure that evidence of such compliance is properly displayed in or on such vehicle as may be so required by law or regulation or, if not so required, shall ensure that such evidence of compliance is available to be shown to all persons upon demand.

B. Prior to the use and operation of any vehicle under the provisions of this section, the chief of police of the city, or the chief's designee, shall conduct a physical examination of the vehicle to determine whether the same is properly equipped, appropriately painted and lettered, and otherwise clean, presentable and suitable for public patronage and occupancy, according to the provisions of this chapter. A fee for each additional police department inspection is \$25.00 for any vehicle which fails an initial inspection.

C. Every vehicle operation under this section shall be inspected, as set forth in subsection (A) of this section, at least once each calendar year. Any vehicle which does not pass inspection will immediately be suspended from service until the defect has been corrected.

D. Any vehicle operating under this section which is involved in a reportable accident as provided by state law shall be inspected as provided in subsection (A) of this section before continuing in or returning to service. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.110 Parking.

A. The city administrator is authorized and empowered by the council of the city to establish open vehicle for hire stand locations within the city.

B. Open stands shall be used by the different companies; provided, that no two vehicles for hire from the same company shall be in the same stand at any one time. The driver shall pull into the open stand from the rear and shall advance forward as the vehicles for hire ahead pull off. Drivers shall stay within five feet of their vehicles for hire; they shall not solicit passengers, or engage in loud or boisterous talk while at an open stand. Nothing in this section shall be construed as preventing a passenger from boarding the vehicle for hire of his or her choice that is parked at an open stand. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.120 Fares.

A. Vehicle for hire and shuttle fares and charges shall be determined by measurement of distance and all rates shall be posted within or on the outside of the vehicle for hire in a manner that is readily legible to the public.

B. Charter services shall be by an hourly rate, which rate shall be posted within or on the outside of the vehicle for hire in a manner that is readily legible to the public, or by prior written agreement.

C. Lawful Rates. It is unlawful to charge, demand, request, collect or receive, or attempt to charge, collect or receive, any rate or compensation for the use of a vehicle for hire other than the rate, charge or compensation specified in this section. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.130 Receipts.

The driver of any vehicle for hire or shuttle service shall, upon demand by the passenger, render to such passenger a receipt for the amount charged, either by a mechanically printed receipt or by a specially prepared receipt on which shall be the name of the owner, license number or vehicle for hire number, amount of meter reading or charges, and date of transaction. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.140 Refusal of passenger to pay legal fare.

It is unlawful for any person to refuse to pay the legal fare of any of the vehicles mentioned in this chapter after having hired the same; and it is unlawful for any person to hire any vehicle herein defined with intent to defraud the person from whom it is hired of the value of such service. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.150 Solicitation, acceptance and discharge of passengers.

A. No driver shall solicit passengers for a vehicle for hire except while standing immediately adjacent to the curb side thereof. The driver of any vehicle for hire shall remain in the driver's compartment or immediately adjacent to his or her vehicle at all times when such vehicle is upon the public street; except, that when necessary, a driver may be absent from his vehicle for hire for not more than 30 consecutive minutes, except in an emergency; and provided further, that nothing herein contained shall be held to prohibit any driver from alighting to the street or sidewalk for the purpose of assisting passengers into or out of such vehicle.

B. Prohibited Solicitation. No driver shall solicit patronage in a loud or annoying tone of voice or by sign, or in any manner annoy any person, or obstruct the movement of any persons, or follow any person for the purpose of soliciting patronage.

C. Receipt and Discharge of Passengers on Sidewalk Only. Drivers of vehicles for hire or shuttle service, except in emergency, shall not receive or discharge passengers in the roadway, but shall pull up to the right-hand sidewalk as nearly as possible or, in the absence of a sidewalk, to the extreme right-hand side of the road, and there

receive or discharge passengers, except upon one-way streets, where passengers may be discharged at either the right-hand or left-hand sidewalk, or side of the roadway in the absence of a sidewalk; provided, that this section shall not prohibit a vehicle for hire or shuttle service from making a brief stop on the roadway side of a vehicle stopped or parked, not to exceed three minutes, if such stop is necessary in the expeditious loading or unloading of passengers of such vehicle for hire; and further provided, that except in residential areas, no person shall make said stop in such a manner or under such conditions as to leave available less than 10 feet of the roadway, street or highway for the free movement of vehicular traffic in either direction; provided, that when the vehicle for hire is making the brief stop, the driver thereof shall remain in the driver seat of the vehicle for hire immediately behind the steering wheel except to assist a passenger in or out of the vehicle for hire or shuttle, if necessary; and provided further, that this section shall not be construed to permit a vehicle or vehicle for hire or shuttle to stop, stand or park on the roadway side of a vehicle stopped or parked at the edge or curb of a highway, road or street, when said vehicle or vehicle for hire is precluded from doing so under state law.

D. Cruising. No driver of a vehicle for hire shall cruise in search of passengers.

E. Restriction on Number of Passengers. No driver shall permit more persons to be carried in a vehicle for hire or shuttle service as passengers than the rated seating capacity of such vehicle.

F. Refusal to Carry Orderly Passengers Prohibited. No driver shall refuse or neglect to convey any orderly person or persons, upon request, unless previously engaged or unable or forbidden by the provisions of this chapter to do so, unless there is good reason therefor. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.160 Prohibition of other vehicles.

Private or other vehicles for hire shall not at any time occupy the spaces upon the streets that have been established as open stands. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992.]

5.20.165 Vehicle for hire service.

All persons engaged in the vehicle for hire or shuttle business in the city operating under the pro-

visions of this chapter shall render an overall service to the public desiring to use vehicles for hire. Holders of certificates of public convenience and necessity shall maintain a place of business which may be mobile, and shall keep the same open for the purpose of receiving calls and dispatching vehicles for hire during not less than those hours which are specified in the approved certificate of public convenience and necessity. They shall answer all calls received by them for services inside the corporate limits as soon as they can do so, and if the services cannot be rendered within a reasonable time, they shall then notify the prospective passengers how long it will be before the said call can be answered and give the reason therefor. Any holder who shall refuse to accept a call anywhere in the corporate limits at any time when such holder has available vehicles for hire or shuttles, or who shall fail or refuse to give overall service, except as provided in CMC 5.20.150(F), shall be deemed a violator of this chapter, and the certificate granted to the holder shall be revoked at the discretion of the city administrator. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992. Formerly 5.20.170.]

5.20.170 Operator's permit required.

No person shall operate a vehicle for hire or shuttle service upon the streets of the city, and no person who owns or controls a vehicle for hire or shuttle service shall permit it to be so driven, and no vehicle for hire or shuttle service licensed by the city shall be so driven at any time for hire, unless the driver of the vehicle for hire or shuttle service shall have first obtained an Alaska driver's license, city operator's permit, and has been accepted as a driver by the certificate holder's insurance company, and operates a vehicle authorized by a certificate. [Ord. 706 § 4, 2018.]

5.20.175 Operator's permit – Application.

An application for an operator's permit or a renewal thereof shall be made in writing under oath and filed with the chief of police or his designee upon a form provided by the city, and each applicant shall furnish the following information:

- A. Name and address;
- B. Place or places of residence in the past two years;
- C. Age, height, color of eyes and hair;

D. A letter from the vehicle for hire company or shuttle service or certificate holder which proposes to hire or lease to the applicant requesting and recommending that the license be granted;

E. The experience of the applicant in the transportation of passengers;

F. The names and addresses of two reliable people who have known the applicant for a period of one year and who will vouch for the sobriety, honesty, and general good character of the applicant;

G. Whether the applicant has been convicted of a felony or a misdemeanor within the last five years;

H. Whether the applicant has ever held a driver's license or a chauffeur's permit, and if so, when and where and if such permit has been revoked within the last five years and for what cause;

I. Any other facts or information as the chief of police or his designee may require;

J. Any other facts deemed important by the applicant that he may wish to submit;

K. Whether the applicant has been convicted of reckless driving, leaving the scene of an accident, or operating a motor vehicle while under the influence of intoxicants, drugs, or narcotics within the last five years;

L. Whether the applicant has any physical disability which impairs the applicant's driving ability.

At the time the application is filed, the applicant shall pay to the police department the sum of \$20.00. [Ord. 706 § 4, 2018.]

5.20.180 Current state driver's license required.

Before any operator's permit is issued by the chief of police or his designee, the applicant shall be required to show that he has a current motor vehicle operator's license issued by the state. [Ord. 706 § 4, 2018.]

5.20.185 Operator's permit – Police investigation of applicant.

The police department shall conduct an investigation of each applicant for an operator's permit, and a report of such investigation and a copy of the traffic and police record of the applicant, if any, shall be attached to the application for the consid-

eration of the chief of police or his designee. [Ord. 706 § 4, 2018.]

5.20.190 Operator's permit – Consideration of application.

The chief of police or his designee shall review the application, the reports and other pertinent materials concerning the applicant and shall approve the application if, based upon the information in his possession:

A. The application and any previous applications are true, accurate, and complete.

B. The applicant has not had a conviction entered by a court of competent jurisdiction within 12 months of:

1. A moving traffic violation or the last of a series of moving traffic violations which resulted in any suspension or revocation of the applicant's driver's license;

2. Reckless or negligent driving;

3. Driving while license suspended or revoked; or

4. Driving while under the influence of intoxicating liquor, depressant, hallucinogenic stimulant or narcotic drugs or any controlled substances.

C. The applicant has not had a felony, misdemeanor or similar conviction entered by a court of competent jurisdiction within five years of:

1. Assignment, prostitution, solicitation for the purposes of prostitution, offering to secure another for the purpose of prostitution, maintaining a vehicle for the purpose of prostitution, or accepting money from a prostitute;

2. Sale, transportation, possession or use of any controlled substance;

3. Any felony or misdemeanor which includes as an element the use or threat of force upon a person;

4. Burglary, larceny, fraud, theft, or embezzlement.

The chief of police or his designee may approve a permit application to an applicant who has been convicted of a violation of subsection (C)(1), (2), (3), or (4) of this section if in his opinion the violation is remote in time and/or substantially minor and unrelated to the operation of a public vehicle.

D. The applicant has not had a felony, misdemeanor or similar conviction entered by a court of competent jurisdiction for any offense which per-

tains to sexual abuse or sexual exploitation of a minor; provided, however, that the chief of police or his designee may approve a permit application to an applicant if the conviction is more than five years old and the applicant is unconditionally discharged from probation.

E. The applicant has not committed any act which in the determination of the chief of police or his designee substantially relates to lack of fitness to operate a public vehicle.

F. The applicant does not have a record of repeated incidents of alcohol or substance abuse. A permit may be granted despite such a record if the applicant proves to the satisfaction of the chief of police or his designee that any alcohol or substance abuse has been effectively treated. The chief of police or his designee may issue to any such applicant a probationary permit conditioned upon continued treatment and/or abstinence from the consumption of alcohol or controlled substance. Such license shall provide for suspension and/or revocation of the probationary permit if any condition is violated.

G. The applicant has no physical disability which impairs the applicant's driving ability.

If charges are pending against an applicant for any of the traffic or criminal violations described in this section, the chief of police or his designee may, after offering the applicant an opportunity to present evidence and be heard, withhold approval of a permit pending the outcome of the prosecution of such charges. If any application is not approved by the chief of police or his designee, the applicant may, within 20 days of the date the decision of the chief of police is mailed to the applicant's address as shown on the application, request a personal appearance before the council to offer evidence why his/her application should be reconsidered. Failure to timely request said appearance shall be a waiver of any right to contest or appeal the procedure, findings or actions concerning the application. [Ord. 706 § 4, 2018.]

5.20.195 Operator's permit – Issuance – Duration – Display – Annual fee.

A. Upon approval of an application for a operator's permit, the chief of police or his designee shall issue to the applicant a permit which shall bear the name, address, age, signature, and photograph of the applicant.

B. Operator's permits, unless revoked or suspended prior thereto, upon issuance shall be valid for one year from the date of issuance, and may be renewed annually for a one-year term; provided, however, a operator's permit valid for a five-year period may be issued to drivers who have held a city of Craig vehicle for hire license, shuttle service or operator's permit for a period of not less than five consecutive years upon payment of the license fee for five years in advance. The requirements of this section regarding submission of an operator's permit application and any other information required by this section need only be provided once every five years by the holder of a five-year license or permit; provided, however, the chief of police or his designee may require a driver holding an operator's permit or driver's license to submit such further and additional information, or to take a physical examination whenever he believes such is necessary for protection of the public.

C. Every driver issued a permit under this chapter shall post that operator's permit in such a place that shall be in the full view of passengers while the driver is operating the vehicle and shall carry the same on his or her person and shall show the same to all persons upon demand. [Ord. 706 § 4, 2018.]

5.20.200 Renewal of operator's permit – Issuance of temporary permit.

In respect to renewals only, the police department may issue a temporary operator's permit, pending the completion of the steps indicated in CMC 5.20.175 through 5.20.190, if doing so does not appear contrary to the protection of the public. [Ord. 706 § 4, 2018.]

5.20.205 Operator's permit – Suspension and revocation.

A. The chief of police or his designee is given the authority to suspend or revoke any operator's permit issued under this chapter or prior ordinance, for any of the following reasons:

1. Proof that the permittee has failed to satisfy any of the requirements of CMC 5.20.190;
2. Proof that a material statement on the operator's application is false or misleading;
3. Willful failure to conspicuously display such permit in the vehicle while the vehicle is in operation;

4. The permittee has committed any of the violations listed under CMC 5.20.190(B), (C), (D), or (E), regardless of whether the permittee has been convicted by a court of competent jurisdiction;

5. Proof that the permittee has violated any section of this chapter.

B. Except when necessary for the immediate protection of the public and then only for such time as is reasonably necessary for such protection, no permit shall be suspended or revoked under this section without notice to the licensee and an opportunity for the permittee to present evidence in his/her behalf at a hearing before the chief of police. Any permittee suspended or revoked under this section may, within 20 days of the date of the decision of the chief of the police is mailed to the permittee's address as shown in the records of the police department, request a public appearance before the council to offer evidence why his/her application should not be suspended or revoked. Failure to timely request said appearance shall be a waiver of any right to appeal or contest the procedure, findings or suspension or revocation. [Ord. 706 § 4, 2018.]

5.20.210 Manifests.

A. Every holder shall maintain a daily manifest upon which is recorded all trips made each day, showing time and place of origin, destination of each trip, and amount of fare. The forms for each manifest shall be of a character approved by the city administrator.

B. Every holder of a certificate of public convenience and necessity shall retain and preserve all manifests in a safe place for at least the calendar year next preceding the current calendar year, and said manifests will be submitted to the city clerk with the quarterly sales tax remittance. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992. Formerly 5.20.180.]

5.20.215 Advertising.

Subject to the rules and regulations of the city administrator, it is lawful for any person owning or operating a vehicle for hire or shuttle service to permit advertising matter to be affixed to or installed in or on the vehicles for hire. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992. Formerly 5.20.190.]

5.20.220 Police to enforce chapter.

A. The police department of the city is hereby given the authority and is instructed to watch and observe the conduct of holders and drivers operating under this chapter. Upon discovering a violation of the provisions of this chapter, the police department shall report the same to the chief of police, who will order or take appropriate action.

B. Any revocation, suspension or denial of any license or permit by the chief of police or the city administrator shall be subject to appeal to the city council.

C. The police may stop the vehicle for hire at any time to inspect the manifest or to ensure compliance with any section of this chapter. [Ord. 706 § 4, 2018; Ord. 346 § 4, 1992. Formerly 5.20.200.]

5.20.225 Violation – Penalties.

Any violation of this chapter shall be punished by the fine established in CMC 1.16.040 if the offense is listed in that fine schedule or by a fine of up to \$300.00 if the offense is not listed in the CMC 1.16.040 fine schedule. [Ord. 706 § 4, 2018; Ord. 669 § 4, 2015; Ord. 346 § 4, 1992. Formerly 5.20.210.]