

TRUK DISTRICT CONGRESS

SEVENTH SESSION, 1963

PUBLIC LAW NO. 7-4 *last year*

ALCOHOLIC BEVERAGES CONTROL ACT

BE IT ENACTED BY THE TRUK DISTRICT CONGRESS, THAT

CHAPTER I • REPEAL

Truk District Law 1-62 titled Alcoholic Beverage Control Law,
is repealed.

CHAPTER II - GENERAL PROVISIONS

Section 1. Definitions: As used in this act, unless it is otherwise
specifically provided -

- a) "alcoholic beverage" means beer, distilled spirits and wine,
and every liquid which contains $1/2$ of 1% or more of alco-
hol by volume and which is fit for beverage purposes, either
alone or when combined with other substances.
- b) "beer and malt beverages" means beverages containing not
more than 15% alcohol by volume obtained by a process of
fermentation of grain, hops, and malt in water.
- c) "club" means an organization which operates an establish-
ment for social purposes and not for pecuniary gain, hav-
ing a bona fide membership list, with elected officers and
by-laws.
- d) "minor" means any person under twenty-one years of age.

CHAPTER III - ADMINISTRATION

Section 1. Board: Composition:

There shall be an Alcoholic Beverage Control Board which
shall consist of five members who shall be appointed by

the District Administrator for terms of two years each. The Truk District Sheriff and Truk District Director of Public Health shall serve ex-officio members. The District Administrator shall designate one of the members as chairman.

Section 2. same: ineligibility:

A person is not eligible for membership on the board who:

- a) is or becomes interested, directly or indirectly, in any business involving the importation, manufacture, or sale of alcoholic beverages; provided that ownership of stock alone shall not constitute interest.
- b) has not reached the age of thirty years;
- c) has been convicted of a felony for which he has not been pardoned.

Section 3. Same: disqualification and removal of:

The District Administrator shall remove any disqualified member whenever grounds for such disqualification appear.

Section 4. same: compensation;

Every member of the board who is not in the service of the government for which he receives compensation shall be paid an amount to be determined by the District Administrator.

Section 5. Board: powers:

The board shall have the power to license the importation, manufacture, and sale of alcoholic beverages and to suspend, revoke, and reinstate such licenses.

Section 6. same: regulations:

The board shall make regulations not inconsistent with the provisions of this act and amend or repeal them as it deems necessary to carry out all intents of the provisions of this act and to enable it to exercise the powers and perform the duties conferred upon it.

Section 11. same: vacancies:

Meetings shall be held periodically, as conditions require, and shall be called by the chairman.

Section 13. same: procedure for application approval:

All members shall have the opportunity to consider each license application and shall either approve or disapprove it. The chairman shall review the application first, sending it then to each of the members in turn. A simple majority of the membership shall constitute a quorum and a decision by the majority present shall prevail.

CHAPTER IV -- LICENSES

Section 1. License: required:

Except as authorized in this law a person shall not import, manufacture, or sell alcoholic beverages without a license.

Section 2. License: lack of : disposal of stock:

A person in possession of a stock of lawfully acquired alcoholic beverages following the revocation or voluntary surrender of, or failure to renew a license, may sell such stock, under supervision of the board in such manner as the board shall provide by regulation, to a licensee authorized to sell such alcoholic beverages.

Section 3. Exception: sacramental wines:

A religious organization may import wine for use in its rites without a license.

Section 4. Exception: new arrivals: Truk

A person entering Truk District for the first time or returning

to it after an absence of 15 or more days may bring with him for private use, and not for resale, alcoholic beverages not exceeding one gallon in quantity without a license.

Section 5. Licenses: Classes and Fees:

Class 1	Wholesale agent	
A	Beer and Wine	\$150.00
B	General	\$300.00
Class 2	Retail dealer's on-sale license	
A	Beer and Wine	\$30.00
B	General	\$60.00
Class 3	Retail dealer's off-sale license	
A	Beer and Wine	\$30.00
B	General	\$60.00
Class 4	Club license	\$100.00

Section 6. Licenses: fees: reductions:

If the applicant applies for a license after the beginning of a fiscal year but during the first quarter of the year, he shall pay the full fee therefore. If he applies after the end of the first quarter and during the second quarter he shall pay three-fourths of the fee. If he applies after the end of the second quarter he shall pay one-half of the fee regardless of when he applies.

Section 7. Licenses: expiration date:

The licenses specified in Chapter 4, Section 5, of this act shall be issued for an indefinite period. Provided, however, that each licensee shall pay an annual fee as specified in

Chapter 4, Section 5, for issuance of the license, payable on and before the 30th day of June of each year beginning with the 30th day of June following the issuance of the license. If the license fee is not paid on or before the 30th day of June of each year, the license is automatically suspended, but may be reinstated by the board within three days after June 30 upon payment of the license fee. Unless the license is so reinstated, it is automatically revoked thirty-one days after June 30, and the board shall not issue a license except upon a new original application.

Section 8. Licensees: privileges: limitations:

A licensee is limited to the privileges conferred by the license, and is not authorized to exercise any other privileges.

Section 9. Licensees: Limitations:

A licensee is limited to the premises for which the license is issued and is not authorized to exercise the privileges conferred by the license at an additional or other premises.

Section 10. License: wholesaler:

A person holding a wholesale dealer license is authorized to import into or purchase in the Truk District from a manufacture, agent or wholesaler the alcoholic beverages specified by the board and to sell such alcoholic beverages to licensed retail establishments and religious organizations.

Section 11. License: retail on-sale:

A person holding a retail dealer on-sale license is authorized to sell alcoholic beverages, as specified in the license, to consumers for consumption on the premises.

Section 12. Licenses: retail off-sale:

A person holding a retail dealer off-sale license is authorized to sell alcoholic beverages, as specified in the license, to consumers for consumption off the premises.

Section 13. License: club license:

A club license shall be a combined general retail on-sale and retail off-sale license and shall authorize the licensee to sell liquors to members of the club and guests thereof enjoying the privilege of membership.

Section 14. License: restrictions: real party in interest:

The board shall not issue a license of any class to any applicant who is not the real party in interest.

Section 15. same: same: minors:

The board shall not issue any license to any person under twenty-one years of age.

Section 16. same: same: prior revokee:

Except in the case of a license revoked for non-payment of renewal fee, the board shall not issue a license of any class which was revoked within a one year period prior to the date of the application.

Section 17. same: same: unfit person:

The board shall not issue a license of any class to any person the board deems unfit to hold a license.

Section 18. same: same: near church, hospital, school:

The board shall not issue an on-sale license for premises located within a distance of 100 feet from the premises of any church, hospital, or public or private school.

Section 19. same: same: number:

The board shall not issue a greater number of on-sale premises licenses within a municipality than it deems consistent with the public interest.

Section 20. Board: disapproval of license applications:

The board may disapprove an application for a license, upon finding, through adequate investigation, that such refusal is in the public interest.

Section 21. same: same: review:

Where an application for license has been denied in accordance with Section 20 of this chapter, the applicant may appeal the decision of the board to the District Administrator, who shall have the authority to direct the board to issue a license.

CHAPTER V - STANDARDS

Section 1. How a business is to be conducted:

A licensee, whether wholesaler, or retailer, shall not encourage the consumption of alcoholic beverages, but shall confine his business to the supply of the demand for alcoholic beverages in a dignified manner in accordance with the intent of the provisions of this act.

Section 2. Conditions of premises:

The board shall have the power to prescribe by regulation the arrangement, construction, equipping, lighting, and sanitary facilities of any premise as will provide a safe and sanitary premise with sufficient lighting and orderly atmosphere.

Section 3. Unauthorized alcoholic beverages: possession forbidden:

A licensee shall not keep upon the premises any alcoholic beverages other than those in which he is authorized to deal by his license.

Section 4. Hours of sale: on-sale premises:

An on-sale licensee shall not sell or serve any alcoholic beverages after 10:00 P.M. Sundays through Thursday nor after 12:00 midnight on Fridays and Sundays. A licensee may begin selling and serving alcoholic beverages at 12:00 on Sundays through Thursdays and 9:00 A.M. Fridays and Saturdays.

Section 5. same: off-sale:

An off-sale licensee shall not sell alcoholic beverages prior to 7:30 A.M. and after 7:30 P.M. Distilled spirits shall not be sold on Sundays.

Section 6. Holidays:

The Alcoholic Beverage Control Board shall have the authority to set hours of sale on holidays.

Section 7. Election day: sale forbidden:

An on or off-sale licensee shall not sell or serve alcoholic beverages in any municipality where an election is in progress during the hours when the polls are required by law to be open for voting.

Section 8. Sale to intoxicated persons: forbidden:

A licensee and his employees shall not sell nor give permission to be sold or give any alcoholic beverage to any habitual or common drunkard or obviously intoxicated person.

Section 9. same: to minors:

A licensee, his agent or employee shall not sell, give or serve, nor permit to be sold, given, or served any alcoholic beverages to any person under twenty-one years of age. For the purpose of preventing any violation of this section, any licensee or his agent or employee may refuse sell or serve alcoholic beverages to any person who is unable to produce adequate written evidence that he is over the age of twenty-one years. In any criminal prosecution or proceeding for the suspension or revocation of any license, and based upon a violation of this section, proof that the defendant licensee or his agent or employee demanded and was shown, before furnishing any alcoholic beverage to a minor, an identification card or other bona fide documentary evidence of the age of such person, shall be defense to such prosecution or proceeding for the suspension or revocation of any license. Every person who violates this section shall be guilty of a misdemeanor punishable by a fine of not more than fifty dollars or by imprisonment for a period not exceeding ninety days, or both.

Section 10. Consumption forbidden: roads, public places, boats:

Persons shall not consume alcoholic beverages on a public highway or road, within the premises of any public building, or any boat transporting passengers or freight (except those under contract to the Trust Territory Government).

Section 11. Container: refill prohibited:

A licensee shall not refill any distilled spirit container with distilled spirits nor offer for sale or sell distilled spirits

from a container that has been refilled.

Section 12. Restrictions on transactions between licensees:

A manufacturer, agent, or wholesaler of alcoholic beverages shall not:

- a) knowingly discriminate, directly or indirectly, in the same trading area in the price of any brand of alcoholic beverage sold to different retail licensees provided under like terms and conditions;
- b) sell any alcoholic beverage to any off or on-sale licensee without invoicing the vendee's licensee number.

Section 13. Consumption of alcoholic beverages by licensee and employees while on duty: prohibited:

No employee, owner, manager, or agent thereof of any licensed premises shall consume or be permitted to consume any alcoholic beverage while on duty on such premises.

Section 14. Stacking drinks prohibited:

No on-sale licensee, agent, or employee thereof shall serve more than one drink at any one time to any individual.

Section 15. Employment of Minors:

A licensee shall not employ any person under the age of twenty-one years of age to serve, sell or dispense alcoholic beverages.

CHAPTER VI - ENFORCEMENT

Section 1. Enforcement powers:

Each member of the board shall have all the powers of peace officers in the enforcement of the provisions of this act and the regulations of the board adopted under the provisions of this act.

Section 2. Inspection:

Each member of the board shall have the right at all times without notice and without legal process to visit and have immediate access to every part of the premises of every licensee for the purpose of making an examination and inspection of the alcoholic beverage books and records and the manner in which the business is conducted.

Section 3. Revocation and suspension of license: general:

A license of any class may be revoked on any of the following grounds:

- a) the continuation of a license would be contrary to the public interest;
- b) the violation of, causing or permitting a violation of, or failure or refusal by a licensee to comply with any provision of this act or any regulation of the board adopted under this act;
- c) the misrepresentation of a material fact by any applicant in obtaining or renewing a license;
- d) the plea, verdict, or judgement of guilty to any public offense involving moral turpitude.

Section 4. Criminal process:

The criminal prosecution of any person under the provisions of this act shall be in addition to and independent of the power of the board to suspend or revoke any license.

Section 5. Penalty:

Any person who violates, causes or permits a violation, or fails or refuses to comply with any provision of this act or

any order or regulation of the board not inconsistent with the provisions of this act for which a specific penalty is not provided shall be fined not more than five hundred dollars or imprisoned for not more than one year, or both.

Section 6. same: minors:

It shall be unlawful for any person under the age of twenty-one years to purchase alcoholic beverages. Violators of this section shall be fined not more than fifty dollars or imprisoned for a period of up to thirty days, or both.

Section 7. same: minors:

It shall be unlawful for any person to give alcoholic beverages to a person under twenty-one years of age to consume in any public place. Violators of this section shall be fined not more than fifty dollars or imprisoned for a period of up to thirty days, or both.

/s/ Raymond Setik
Raymond Setik, President
Truk District Congress

8/29/63
Date

/s/ Robert Halvorsen
Robert Halvorsen
District Administrator, Truk

8/30/63
Date

(Sgd) Maurice W. Goding
M. W. Goding, High Commissioner
Trust Territory of the Pacific
Islands

9/25/63
Date