

# ALCOHOLIC BEVERAGES

## CHAPTER 60

SENATE BILL NO. 2337  
(Barth)

### UNFAIR COMPETITION IN ALCOHOLIC BEVERAGE INDUSTRY

AN ACT to amend and reenact section 5-01-11 of the North Dakota Century Code, relating to unfair competition in the alcoholic beverage industry.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 5-01-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

5-01-11. UNFAIR COMPETITION - PENALTY.) No manufacturer shall engage in any wholesale alcoholic beverage business, nor shall any manufacturer or wholesaler have any financial interest in any retail alcoholic beverage establishment nor furnish any such retailer with anything of value except wholesalers may:

1. Extend normal commercial credits to retailers for industry products sold to them. The state treasurer may determine by regulation the definition of "normal commercial credits" for each segment of the industry.
2. Furnish retailers with beer containers and also equipment for dispensing of tap beer provided the expense does not exceed fifty dollars per tap per calendar year.
3. Furnish outside signs to retailers if the sign cost does not exceed one hundred dollars exclusive of costs of erection and repair.
4. Furnish miscellaneous materials to retailers not to exceed one hundred dollars per year.

Any wholesaler or manufacturer violating the provisions of this section, or any regulation promulgated hereunder, and any retailer receiving benefits thereby, is guilty of a class A misdemeanor.

Approved March 17, 1977

## CHAPTER 61

HOUSE BILL NO. 1350  
(Gerl)

## SPECIAL EVENT ALCOHOLIC BEVERAGE PERMIT

AN ACT to create and enact a new section to chapter 5-02 of the North Dakota Century Code, relating to the authorization of special alcoholic beverage permits; and to amend and reenact sections 53-02-05 and 53-02-09 of the North Dakota Century Code, relating to applications for permits and the refusal and revocation of permits for cause; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE  
STATE OF NORTH DAKOTA:

SECTION 1.) A new section to chapter 5-02 of the North Dakota Century Code is hereby created and enacted to read as follows:

SPECIAL PERMIT AUTHORIZED.) The local governing body and the attorney general may by special permit authorize an alcoholic beverage licensee to engage in the sale of alcoholic beverages at special events on such licensed premises as may be designated by such permit. A fee for such local special permit may be set by ordinance or resolution at not more than twenty-five dollars. The permit shall not be valid for a period greater than three consecutive days. The local governing body may establish such rules and regulations as it may deem proper to regulate and restrict the operation of a special permit.

SECTION 2. AMENDMENT.) Section 53-02-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

53-02-05. APPLICATION FOR PERMIT - SPECIAL PERMITS.)

1. Any person desiring to conduct a public dance, music festival, or special event at a public building, public dancing place, or music festival site shall make application for a permit to do so to the governing body of the municipality or organized township in which it is to be conducted, if it is to be conducted within the limits of any city or organized township. In all other cases, the application shall be made to the board of county commissioners of the county in

which such dance or music festival is to be conducted. The application shall set forth:

- a. The name of the applicant;
  - b. The time or period for which the permit is desired; and
  - c. The place where such public dance or music festival is to be conducted or held.
2. An alcoholic beverage licensee desiring to conduct a special event, public dance, or music festival wherein alcoholic beverages will be sold shall make an application for a special permit to do so to the governing body of the municipality or organized township in which it is to be conducted, if it is to be conducted within the limits of any city or organized township. In all other cases, the application shall be made to the board of county commissioners of the county in which such special event, dance, or music festival is to be conducted. The application shall set forth the information required in subsection 1.

SECTION 3. AMENDMENT.) Section 53-02-09 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

53-02-09. REFUSAL AND REVOCATION OF PERMIT FOR CAUSE.) The governing body or board issuing a permit hereunder may revoke the same at any time for violation of any of the provisions of this chapter, and shall revoke the same upon conviction of the person to whom the same has been issued for a violation of any of the laws of this state. The governing body or board to which application for a permit is made, or by which a permit has been issued, shall refuse to issue such permit, and shall revoke a permit already issued, where it appears that:

1. The permitted site is or is likely to become a public nuisance or detrimental to public morals;
2. The provisions of this chapter are being violated;
3. An alcoholic beverage or controlled substance is being sold or given away, except as authorized by subsection 2 of section 53-02-05; or
4. Any of the laws of the state are being violated.

The governing body or board to which application is made, or by which a permit has been issued, also shall refuse such application, and shall revoke such permit, when it appears that such public

permitted site is or will be conducted in a neighborhood or community contrary to the wishes of a majority of the people living therein.

SECTION 4. EMERGENCY.) This Act is hereby declared to be an emergency measure and shall be in effect from and after its passage and approval.

Filed April 6, 1977

NOTE: This bill was vetoed by the Governor and subsequently approved by a two-thirds majority of the members of the House of Representatives and the Senate.

## CHAPTER 62

HOUSE BILL NO. 1238  
(Industry, Business and Labor)  
(At the request of the Attorney General)

## ALCOHOLIC BEVERAGE LICENSE FEES

AN ACT to amend and reenact sections 5-02-03 and 5-02-04 of the North Dakota Century Code, relating to establishing exclusive on sale alcoholic beverage licenses and fees therefor.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 5-02-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

5-02-03. LOCAL LICENSE FEES.) The fee for an annual local on and off sale liquor license shall be set by ordinance or resolution at not less than two hundred dollars nor more than two thousand dollars, except outside the corporate limits of a city the fee shall not exceed one thousand dollars. The fee for an annual on and off sale local beer license shall be set by ordinance or resolution at not less than fifty dollars nor more than five hundred dollars. The fee for an annual local exclusive on sale liquor license shall be set by ordinance or resolution at not less than two hundred dollars nor more than two thousand dollars, except outside the corporate limits of a city the fee shall not exceed one thousand dollars. The fee for an annual local exclusive on sale local beer license shall be set by ordinance or resolution at not less than fifty dollars nor more than five hundred dollars. The fee for an annual local exclusive off sale beer or off sale liquor license shall not be more than the fee charged for an on and off sale license. The local governing body may by ordinance or resolution provide for issuance of licenses for any period not to exceed one year and may allow for proration and refunds of license fees.

SECTION 2. AMENDMENT.) Section 5-02-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

5-02-04. STATE LICENSE FEE.) The fee for an annual state on and off sale beer or liquor license shall be fifty dollars each, except in cities over five hundred population at the last federal decennial census, the fee shall be one hundred dollars for each license. The fee for an annual state exclusive on sale beer or liquor license shall be fifty dollars each, except in cities over five hundred population at the last federal decennial census, the

fee shall be one hundred dollars for each license. An off sale only beer or liquor license shall be fifty dollars each. The fee for an annual state license will be charged on a calendar-year basis. License fees will be prorated from the first day of the month in which license is issued up to the last day of the month in which such license expires, except that no license fee will be less than twenty-five dollars.

Approved March 12, 1977

## CHAPTER 63

HOUSE BILL NO. 1242  
(Committee on Industry, Business and Labor)  
(At the request of the Attorney General)

## UNDER AGE PERSONS ON LICENSED PREMISES

AN ACT to amend and reenact section 5-02-06 of the North Dakota Century Code, relating to permitting a person under twenty-one years of age to remain on the licensed premises while alcoholic beverages are being sold or displayed.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 5-02-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

5-02-06. PROHIBITIONS AS TO PERSONS UNDER TWENTY-ONE YEARS OF AGE - PENALTY - EXCEPTIONS.) Except as permitted in this section, any licensee who dispenses alcoholic beverages to a person under twenty-one years of age, or who permits such a person to remain on the licensed premises while alcoholic beverages are being sold or displayed, is guilty of a class A misdemeanor, subject to the provisions of sections 5-01-08, 5-01-08.1, and 5-01-08.2. Any person under twenty-one years of age may remain in a restaurant where alcoholic beverages are being sold if the restaurant is separated from the room in which alcoholic beverages are opened or mixed, if gross sales of food are at least equal to gross sales of alcoholic beverages which are consumed in the dining area, and if (1) accompanied by a parent or legal guardian, (2) employed by the restaurant as a food waiter, food waitress, busboy, or busgirl under the direct supervision of a person twenty-one or more years of age, and not engaged in the sale, dispensing, delivery, or consumption of alcoholic beverages, or (3) if the person is a law enforcement officer entering the premises in the performance of official duty. Any establishment where alcoholic beverages are sold may employ persons from eighteen to twenty-one years of age to work in the capacity of musicians under the direct supervision of a person over twenty-one years of age.

Approved April 20, 1977