

of as may be necessary to carry out the provisions of this Act.

Approved March 12, 1937.

CHAPTER 78.

AN ACT

[S. B. 9]

To provide for the manufacture and sale of intoxicating liquors in the Territory of Alaska.

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. That no person, firm, corporation or company shall manufacture, sell, offer for sale or keep for sale, traffic in, barter or exchange for goods in this Territory, any intoxicating liquor except as hereinafter provided; but this shall not apply to sales made by a person under provisions of law requiring him to sell personal property. Whenever the term "intoxicating liquor" is used in this Act it shall be deemed to include whiskey, brandy, rum, gin, wine, ale, porter, beer, hoochinoo and all spirituous, vinous, malt and other fermented or distilled liquors.

Manufacture
and sale of
intoxicating
liquor.

Section 2. That the licenses provided for in this Act shall be issued by the Clerk of the District Court or any subdivision thereof in compliance with the order of the Court or Judge thereof duly made and entered; and the Clerk of the Court shall keep a full record of all applications for licenses and of all recommendations for and remonstrances against the granting of licenses and of the action of the Court thereon.

License.

Consent of
Majority of
Citizens neces-
sary before
license granted,
burden of proof,
etc.—

Section 3. That before any license is granted, as provided in this Act, it shall be shown to the satisfaction of the Court that a majority of the citizens over the age of twenty-one years, residing within two miles of the place where intoxicating liquor is to be manufactured, bartered, sold and exchanged, or bartered, sold or exchanged, have in good faith consented to the manufacture, barter, sale and exchange, or the barter, sale and exchange of the same; and the burden shall be upon the applicant or applicants to show to the satisfaction of the Court that a majority of the citizens over twenty-one years of age have consented thereto and no license shall be granted in the absence of such evidence; provided, that when it is made to appear that a majority of said citizens over the age of twenty-one years of any one place have consented to the manufacture, barter, sale and exchange or the barter, sale and exchange of intoxicating liquor, no further proof of the consent of the citizens of the place where such intoxicating liquor is to be manufactured, bartered, sold and exchanged, or bartered, sold and exchanged, will be required for twelve months thereafter.

Proviso—
Incorporated
towns, etc.

Provided, however, that any application for a license coming from within an incorporated town shall have attached thereto in lieu of a majority of the citizens of that district, a list of at least five references as to the integrity of the applicant and the desirability of the issuing of a license for the premises mentioned therein. The Clerk of the Court, upon receipt of each application from within an incorporated town, shall notify the city council of that town of the necessity for action on the application by the council, in regular or special meeting and the filing with the Clerk of the Court of a certificate showing the action taken. A failure of the municipal officers to act upon applications for licenses within the period specified in the notice furnished them shall be considered a default and shall subject the city to the penalty of losing its right to a refund as herein

provided. At the time set for the hearing, the Court shall consider the application and any protests that may be filed against the same, and shall also hear the applicant or others appearing in connection with the matter, and give its judgment, which shall be final. If the application is rejected the fee accompanying the same shall be returned. The licensee shall cause the license to be posted in a conspicuous position in his place of business, so that anyone entering the premises may easily read it. No license issued under the provisions of this Act shall be transferred except after first securing the consent of the Court. No refund of license fees will be allowed after the issuance of license.

Section 4. **Applications.** All applicants for licenses mentioned herein shall file with the Clerk of the District Court an application in writing, signed and sworn to by the applicant, giving his name and address, and, if a corporation, executed by the duly authorized officers thereof, containing the following: Applications, form, contents, etc.—

- (1) Kind of license desired;
- (2) A description of the place for which the license is desired, giving address by street and number, or other information, so that the location can be definitely determined;
- (3) A statement of the citizenship or corporate qualifications of the applicant;
- (4) The necessary license fee;
- (5) Together with the consent of a majority of citizens over the age of twenty-one years, residing within two miles of the place where the intoxicating liquor or liquors are to be manufactured, bartered, sold and exchanged, or bartered, sold and exchanged. That if any false material statement is made in any part of

such application the applicant or applicants shall be deemed guilty of perjury and upon conviction thereof shall be subject to the penalty provided by law for the crime of perjury.

License may be
revoked by
Court.

That should it appear to the District Court that any of the statements above enumerated and required in the application are untrue at the time of application for such license, such application shall be denied.

That should it appear to the District Court after the granting of such license that any of the statements above enumerated and required to be made in the application are untrue, it shall be the duty of the Court to forthwith enter an order revoking such license and all license moneys deposited by the applicant shall be thereby forfeited to the Territory, and it shall be the duty of the United States Marshals and their deputies, and United States Attorneys and their assistants, and all chiefs of police and other peace officers in their respective Divisions, Districts, Towns or settlements to investigate and report to the District Court any violation of any of the provisions of this Act.

Section 5.

Intoxicating
liquor sold,
where, by whom,
to whom, etc.—

(1) It shall be unlawful to give, barter or sell any intoxicating liquors, including beer and wine, to any person under the age of twenty-one years, to any intoxicated person, or to an habitual drunkard; and it shall be unlawful for any licensee to permit the giving, selling, bartering or drinking of any intoxicating liquor within the premises covered by any license to or by any of the forbidden classes, nor shall such licensee permit the drinking of hard or distilled liquors by any person upon the premises covered by his license.

The drinking of intoxicating liquors on the premises covered by any license by any of the forbidden classes,

or the presence of any intoxicated person on such premises, shall be cause for revocation of any such license, and further, that any person attending any grade or high school shall be considered less than twenty-one years of age, and the burden of determining the age shall be on the licensee.

(2) It shall be unlawful to permit any person under the age of twenty-one years to enter any Beverage Dispensary unless the said minor is accompanied by his parent or guardian.

(3) No license shall be issued for the sale of any intoxicating liquor in any building within two hundred feet of any school building or church.

(4) The premises of licensees under this Act shall be easily accessible for inspection by municipal officers, United States Attorneys, Assistant United States Attorneys, United States Marshals, Deputy Marshals and Clerks of the District Court, and all other officers charged with the enforcement of the provisions of this Act, during all regular hours of the transaction of business upon said premises. For the purpose of this Act, the premises covered by any license issued hereunder, shall be held to include all rooms in any building which can be reached without leaving the building.

(5) It shall be unlawful for the holder of any Wholesaler's, Brewer's, Distiller's, or Bottler's License to carry for sale any stock of intoxicating liquors in the Territory except on the premises licensed, and it shall be unlawful for any of the four above-mentioned classes to sell any such intoxicating liquors from any boat or other carrier.

(6) No person, firm or corporation shall manufacture, barter, sell or possess for sale, any intoxicating liquor in the Territory of Alaska without having pro-

cured an appropriate license. All licensees under the provisions of this Act selling to the general public shall be charged with the knowledge that the wholesaler, distiller, importer, brewer or bottler from whom they purchased intoxicating liquors is properly licensed to sell the same.

(7) Any intoxicating liquors shipped into the Territory of Alaska other than to licensees hereunder shall be deemed contraband and subject to confiscation by the Territory and any intoxicating liquors so seized shall be sold under the orders of the District Court and the proceeds thereof deposited with the Territorial Treasurer; provided, however, that the provisions of this Section shall not apply to sacramental wines, alcohol or liquors used for pharmaceutical or medicinal purposes or liquors used for filling the prescriptions of physicians.

(8) Licenses granted upon any application made prior to July 1, 1937, for any new licenses, or for the renewal of existing licenses, shall be effective only to that date, and all licenses thereafter shall be issued for the fiscal year, ending December 31, but no license shall be issued for less than one-half year.

**Qualifications
of Licensees.**

Section 6. Qualifications of Licensees.

(A) No Beverage Dispensary License, or Retail License shall be issued to any person or association of persons who have not resided in the Territory for at least one year prior to the date of the application, or to any corporation which is not qualified to do business in the Territory.

(B) No corporation, wholesaler, owner, officer, or representative of a brewery, winery, bottling works, or distillery shall be permitted to own any interest in any Beverage Dispensary or Retail Liquor Store, nor shall

he or they be permitted to finance directly, or indirectly, any license-holder in procuring quarters, or supplying equipment or furnishings in order to conduct such business.

(C) Any distiller, brewer or wholesaler, whose plant or principal place of business is outside of the Territory, but whose products are sold in the Territory, shall be required to obtain a Wholesale License for the sale of his products in the Territory, and a separate license shall be required for each wholesale distributing point within the Territory. Any distiller, brewer or wholesaler, not resident in the Territory, selling intoxicating liquors in the Territory, shall, before soliciting any business in the Territory, designate a principal place of business, or headquarters, in the Territory, and appoint an agent upon whom service can be had, and shall also obtain a license under the provisions of this Act. This subdivision shall not apply to sales made to any regularly licensed wholesaler resident in the Territory.

(D) No person or persons, other than the licensee, shall have any direct or indirect financial interest in the business for which the license is issued; that the licensee shall, wherever possible, superintendent in person the management of the business for which the license is issued; but if any other person is employed to manage the same, he or she shall have all the qualifications of a licensee and the licensee shall be responsible for the proper conduct of the business.

Section 7. **Excise Taxes.** Every brewer, distiller, bottler, or wholesaler selling intoxicating liquors in the Territory shall be required to pay on all malt beverages (alcoholic content of one per cent (1%) or more by volume), wines and hard or distilled liquors, the following prescribed taxes: malt beverages at the rate of five cents (5c) per gallon or fraction thereof; wine, or

any other liquors of nineteen per cent (19%) of alcohol by volume or less, at the rate of fifteen cents (15c) per gallon or fraction thereof; any other liquors having a content of more than nineteen per cent (19%) of alcohol by volume shall pay at the rate of fifty cents (50c) per gallon. This tax is to be paid to the Territorial Treasurer who will furnish strip tax revenue stamps in the form prescribed by him to be attached to all liquor containers or packages. These stamps are to be attached by the brewer, distiller, bottler, wholesaler or importer into whose hands the liquor shall first come. The Treasurer of the Territory shall designate places of sale of Territorial revenue stamps in such a way that they will be easily procurable by all license holders. All persons authorized by the Treasurer to sell such stamps shall be bonded to the Territory for the protection of funds coming into their hands, in the amounts that he shall designate, and further, all persons so authorized shall, within ten days after the first day of each month, deposit with the Territorial Treasurer all moneys collected by them during the preceding month upon such forms as shall be prescribed by him.

Compensation
of Excise tax
collectors.

Section 8. Compensation. The compensation for such persons authorized by the Treasurer to sell tax stamps shall not exceed ten per cent (10%) of the gross amount of the moneys they shall collect, nor shall it exceed the total of One Hundred Dollars (\$100.00) during any one calendar month of the year.

Local option.

Section 9. Local Option.

(A) Whenever fifty per cent (50%) of the total number of voters at the last general election held in any incorporated city or town shall petition the Court so to do, the Court may cause to be placed upon a separate ballot at the next municipal election in such incorporated city or town the following question: "For the sale of intoxicating liquors....." (yes or no).

It shall be the duty of the regular election officers to canvass the said ballots and to report the results thereof to the Clerk of the District Court. If, upon receipt of the certificate of election, the Clerk of the District Court finds that at least two-thirds of the voters are against the sale of intoxicating liquor in said incorporated city or town, all applications for licenses within the said city or town shall thereafter be denied and no further licenses shall be issued therein for a period of one year, and until the voters therein, at a subsequent election held in the manner herein provided for, shall decide that licenses may be issued.

(B) No licenses for the sale of intoxicating liquor shall be issued under this Act in precincts outside of incorporated cities or towns unless a petition having signatures of a majority of the bona fide residents residing within two miles of the place where intoxicating liquor is to be sold, and over the age of twenty-one years, is filed with the Clerk of the District Court asking that licenses be issued within the said precinct.

(C) Disposition of Funds: All moneys collected or due the Territory for licenses under the provisions of this Act shall be deposited with the Territorial Treasurer; all such moneys collected within the incorporated cities may be refunded semi-annually to the said incorporated cities; provided, however, that in the event of the failure of the officers of said incorporated cities to actively enforce all of the ordinances of said incorporated cities, the law of the United States, the laws of the Territory of Alaska and those regulations relative to the manufacture and sale of intoxicating liquors in the Territory of Alaska, the Treasurer may deny said refund and no further moneys will be paid to said incorporated cities until the enforcement of such laws and regulations is actively resumed within such municipalities.

Municipal regulations.

Section 10. **Municipal Regulations.** Incorporated municipalities, in the Territory of Alaska, may, by ordinance duly enacted, provide such additional rules and regulations governing the barter, sale and possession of intoxicating liquor within such municipalities as may be deemed necessary to the orderly conduct of the business of selling intoxicating liquor; provided, however, that such ordinance or ordinances thus enacted shall not be inconsistent with this Act, and that no municipality shall impose any additional taxes.

Duration and transfer of license.

Section 11. No license shall be issued for a greater period than one year; and no licenses shall be transferred by the licensee to any other person except with the written consent of the Court, but authority for the same shall issue upon application thereto in writing.

Penalties.

Section 12. **Penalties.** A violation of any of the provisions of this Act shall be deemed a misdemeanor, and upon conviction thereof shall be punished by imprisonment of not more than one year, or by a fine of not more than Five Hundred Dollars (\$500.00), each violation to be considered a separate offense. Any intoxicating liquors shipped into the Territory, other than to licensees hereunder and contrary to the provisions of this Act, shall be deemed contraband, and subject to confiscation by the Territory, or any enforcement officer; and any intoxicating liquors so seized shall be sold under the order of the District Court, and the proceeds thereof deposited with the Territorial Treasurer.

Classification of licenses.

Section 13. **Classification of Licenses.** The following licenses may be obtained from the Clerk of the District Court:

Beverage dispensary.

(A) Beverage Dispensary Licenses: A Beverage Dispensary License shall give to the holder thereof the right to sell or serve on the premises beer and wine.

Provided, however, that the premises for which such license is issued shall not be connected by doors or otherwise with premises covered by any other license issued under these regulations; and provided further, that the sales under Beverage Dispensary Licenses are limited to less than five wine gallons to any one person in any one day. A Beverage Dispensary License Fee is Three Hundred Dollars (\$300.00).

(B) Restaurant Licenses: A Restaurant License Restaurant. shall give to the holder thereof the right to sell beer and wine in a restaurant with meals furnished in good faith to guests and patrons. A Restaurant License Fee is One Hundred Fifty Dollars (\$150.00).

(C) Road Houses Licenses: A Road House License Road House. shall give to the holder thereof the right to sell beer and wine in a road house situated not less than eighteen miles from any incorporated city and serving food to the travelling public. A Road House License Fee is Seventy-five Dollars (\$75.00).

(D) Club Licenses: A Club License shall give to Clubs. clubs, fraternal organizations, and patriotic organizations, that have a Territorial or National Charter, and which have been so incorporated for a period of two years, the right to serve beer and wine to the members and their guests in their club rooms. A Club License Fee is Fifty Dollars (\$50.00).

(E) Bottling Works Licenses: A Bottling Works Bottling Works. License shall give to the holder thereof the right to operate a Bottling Works where beer and wine may be bottled and sold, but no sale of beer or wine shall be made in less quantities than five wine gallons. A Bottling Works License Fee is One Hundred Dollars (\$100.00).

Brewery.

(F) **Brewery Licenses:** A Brewery License shall give to the holder thereof the right to operate a Brewery where beer is manufactured, brewed, prepared, bottled or barreled for sale; but no sale shall be made in less quantities than five wine gallons. A Brewery License Fee is One Hundred Dollars (\$100.00).

Retail.

(G) **Retail Licenses:** A Retail License shall give to the holder thereof the right to sell in his establishment intoxicating liquors, including beer and wine, in the original packages and wine in bulk. All liquor requiring Internal Revenue strip stamps shall have such stamps intact upon the packages. The consumption of any intoxicating liquor on the premises under this license is prohibited. Provided, however, that the premises for which such license is issued shall not be connected by doors or otherwise with premises upon which any other business is conducted. Sales under a Retail License shall be limited to less than five wine gallons to any one person in any one day. A Retail License Fee is Three Hundred Dollars (\$300.00).

**Wholesale,
General, etc.**

(H) **Wholesale Licenses:**

(1) A General Wholesale License shall give to the holder thereof the right to sell intoxicating liquors, including malt beverages and wines, in the original package, and wine in bulk, in quantities of not less than five wine gallons to holders of licenses under this Act, but not to the consumer. All liquor requiring Internal Revenue strip stamps must have such stamps intact on the package. A General Wholesale License Fee is Five Hundred Dollars (\$500.00).

(2) A Wholesale Hard and Distilled Liquor License shall give to the holder thereof the right to sell hard and distilled liquors in the original packages of not less than five wine gallons with the Internal Revenue stamps intact, to holders of licenses under this Act but

not to the consumer. A Wholesale Hard and Distilled Liquor License Fee is Five Hundred Dollars (\$500.00).

(3) A Wholesale, Malt Beverages, and Wine License shall give to the holder thereof the right to sell malt beverages and wine in the original packages and malt beverages and wine in bulk in quantities of not less than five wine gallons to holders of licenses under these regulations but not to the consumer. Malt Beverages and Wine License Fee is One Hundred Dollars (\$100.00). A Wholesale License shall be required for each distributing point.

(I) Distillery Licenses: A Distillery License shall ^{Distillery.} give to the holder thereof the right to operate a Distillery where intoxicating liquors are distilled, prepared, bottled or barreled for sale, but no sale shall be made in less quantities than five wine gallons, and no sale shall be made in the Territory except to licensees under the provisions of this Act and not to the consumer or the general public. A Distillery License Fee is One Hundred Dollars (\$100.00).

(J) Importers Licenses: An Importers License shall ^{Importers.} give to the holder thereof the right to import into the Territory of Alaska malt beverages of one per cent (1%) (alcoholic content by volume) or over. An Importer (of malt beverages) License Fee is Five Hundred Dollars (\$500.00).

(K) Boat Licenses: A Boat License shall give to the ^{Boats.} holder thereof the right to sell intoxicating liquors on boats of two hundred and fifty tons or over, United States Custom House measurement, for consumption on the boat; provided, however, that no sale of intoxicating liquor shall be made while such licensed boat is in any Alaskan port. A Boat License Fee is One Hundred Dollars (\$100.00).

License officers.

Section 14. The Territorial Treasurer may appoint at a salary not to exceed more than Two Hundred and Fifty Dollars (\$250.00) per month not less than four, nor more than six, License Officers, who shall have the powers now exercised by United States Marshals in the enforcement of the laws of the Territory. They may also be designated Deputy Collectors of Licenses and Taxes under such rules and regulations as the Treasurer may prescribe and shall give bond to the Territory in such sum as the Treasurer may prescribe for the faithful performance of their duties and accounting for all moneys that may come into their hands.

Saving clause.

Section 15. If any section, sub-section, sentence, clause or phrase of this Act is for any reason held to be unconstitutional, such decision shall not be held to affect the validity of any other portion of this Act.

Conflicting acts repealed.

Section 16. All Acts and parts of Acts in conflict herewith are hereby repealed.

Approved March 12, 1937.

CHAPTER 79.**AN ACT**

[S. B. 73]

To amend Section 1663, Compiled Laws of Alaska, 1933.

Be it enacted by the Legislature of the Territory of Alaska:

Amended.

Section 1. That Section 1663, Compiled Laws of Alaska, 1933, be, and the same is, hereby amended by adding thereto a new paragraph, to be known as Paragraph 10, to read as follows: