TITLE 4: ECONOMIC RESOURCES DIVISION 5: BUSINESS REGULATION

§ 5511. Definitions.

When used in this chapter:

(a) "Alcoholic beverage" means beer, distilled spirits, wine and tuba, and every liquid which contains one-half of one percent or more of alcohol 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 percent alcohol by volume obtained by a process of fermentation of grain, hops, and malt in water.

(c) "Board" means the Commonwealth Alcoholic Beverage Control Board.

(d) "Club" means an organization which operates an establishment for objects of an athletic, patriotic, political, or social nature and not for pecuniary gain, having a bona fide membership list, with duly elected officers and by-laws, the majority of members of which pay dues at least once in every year.

(e) "Distilled spirits" means distilled brandy, whisky, and every product of distillation of any fermented liquid which is for beverage purposes.

(f) "General license" means a license to sell every kind of alcoholic beverage.

(g) "Licensee" means a person holding a license issued by the board.

(h) "On-sale license" means a license to sell alcoholic beverages for consumption on the licensee's premises.

(i) "Off-sale license" means a license to sell alcoholic beverages for consumption off the licensee's premises.

(j) "Sampling" means activity in which an alcoholic beverage is sampled or tasted for free.

(k) Sterile passenger holding areas are the areas at and beyond the screening checkpoints, the holding rooms, and the boarding gates.

(1) "Tuba" means an alcoholic beverage made from the sap of coconut tree; juice which is tapped from the bud of coconut tree which ferments very quickly.

Source: MIDC § 11.04.010; (j) added by PL 15-115 § 3; (k) added by PL 16-27, § 2, modified; amended by PL 21-19, § 2 (Apr. 3, 2020), modified.

Commission Comment: Executive Order 94-3, the "Second Reorganization Plan of 1994" (effective Aug. 23, 1994), reorganized the Commonwealth government executive branch, changed agency names and official titles and effected numerous other revisions. According to Executive Order 94-3, §§ 209 and 302(c):

Section 209. Temporary Alcoholic Beverage Licenses. The authority of the Governor under <u>4 CMC § 5525</u> to issue temporary licenses for the sale of alcoholic beverages by nonprofit organizations is transferred to the Secretary of Commerce.

Section 302. Department of Commerce.

....

TITLE 4: ECONOMIC RESOURCES DIVISION 5: BUSINESS REGULATION

(c) **Alcoholic Beverage Control.** The Commonwealth Alcoholic Beverage Control Board is abolished and its functions transferred to the Secretary of Commerce.

The full text of Executive Order 94-3 is set forth in the commission comment to $1 \text{ CMC } \S 2001$.

For more information regarding PL 15-115, see comment to $4 \text{ CMC} \S 5585$. The Commission changed capitalization in subsection (j) pursuant to $1 \text{ CMC} \S 3806(f)$. Public Law 16-27 was enacted on January 7, 2009. The date next to Governor's signature in PL 16-27, January 7, 2008, is clearly a typographical error. In addition to amendments to provisions in this chapter, PL 16-27 contained definition and regulations sections that are codified in <u>3 CMC §§ 5511(j)</u> and <u>5513</u>, respectively. PL 16-27 also contained severability and savings clause provisions and the following:

Section 1. <u>Findings and Purpose</u>. The Legislature finds that due to the difficult economic situation the Commonwealth is currently facing, it is very important to find any means that will encourage revenue.

The Legislature further finds that passengers arriving and departing in our airports come from different time zones and should not be subject to legislations that are regulated by time or hours permissible. Therefore, it is the purpose of this act to allow, within the Sterile Passenger Holding Areas, the purchase of alcoholic beverages, regardless of time or day for consumption within, as a way of generating more revenue.

As for the vendors that cater outside of the Sterile Passenger Holding Areas, they will be subject to existing laws. Vendors may sale or serve alcoholic beverages provided that they acquire the necessary licenses and conform to $4 \text{ CMC } \S 5554$ subparagraph (a) Hours of Sale: On-Sale Premises and $4 \text{ CMC } \S 5557$ subparagraph (a) Election Day: Sale Prohibited.

In codifying PL 21-19, the Commission capitalized "tuba" in (l) pursuant to 1 CMC § 3806(f).