

§ 18B-104. Administrative penalties.

(a) Penalties. – For any violation of the ABC laws, the Commission may take any of the following actions against a permittee:

- (1) Suspend the permittee's permit for a specified period of time not longer than three years.
- (2) Revoke the permittee's permit.
- (3) For all violations not listed in subdivision (3a) of this subsection, fine the permittee up to five hundred dollars (\$500.00) for the first violation, up to seven hundred fifty dollars (\$750.00) for the second violation within three years, and up to one thousand dollars (\$1,000) for the third violation within three years of the first violation.
- (3a) If the violations involve acts of violence, controlled substances, or prostitution occurring on the licensed premises, fine the permittee up to seven hundred fifty dollars (\$750.00) for the first violation, up to one thousand dollars (\$1,000) for a second violation within three years, and up to one thousand two hundred fifty dollars (\$1,250) for a third violation within three years of the first violation. Additionally, the Commission may impose conditions on the operating hours of the business for violations listed in this subdivision.
- (4) Suspend the permittee's permit under subdivision (1) [of this subsection] and impose a fine under subdivision (3) or (3a) [of this subsection].

(b) Compromise. – In any case in which the Commission is entitled to suspend or revoke a permit, the Commission may accept from the permittee an offer in compromise to pay a penalty of not more than five thousand dollars (\$5,000). The Commission may either accept a compromise or revoke a permit, but not both. The Commission may accept a compromise and suspend the permit in the same case.

(b1) Compromise for Certain Egregious Violations. – In any case in which there are two or more violations within three years in which the Commission is entitled to suspend or revoke a permit, the Commission may accept from the permittee an offer in compromise to pay a penalty of not more than ten thousand dollars (\$10,000) if the violations involve any of the following acts:

- (1) Acts of violence occurring on the licensed premises.
- (2) The permittee or the permittee's agent or employee knowingly allowing any violation of the controlled substances or prostitution statutes on the licensed premises.

The Commission may also impose conditions on the operating hours of the business as part of a compromise pursuant to this subsection. The Commission may either accept a compromise or revoke a permit, but not both. The Commission may accept a compromise and suspend the permit in the same case.

(c) Fines and Penalties to Treasurer. – The clear proceeds of fines and penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(d) Effect on Licenses. – Suspension or revocation of a permit includes automatic suspension or revocation of any related State or local revenue license.

(e) Effect on Other Permits. – Unless some other disposition is ordered by the Commission, revocation or suspension of a permit under subsection (a) includes automatic revocation or suspension, respectively, of any other ABC permit held by the same permittee for the same establishment. (1939, c. 158, s. 514; 1943, c. 400, s. 6; 1945, c. 903, s. 1; 1947, c. 1098, ss. 2, 3; 1949, c. 974, ss. 7, 14; 1953, c. 1207, ss. 2-5; 1957, cc. 1048, 1440; 1963, c. 426, ss. 4, 5, 10, 12; c. 460, s. 1; 1971, c. 872, s. 1; 1973, c. 476, s. 193; 1977, c. 669, s. 1; 1981, c. 412, s. 2; 1998-215, s. 27; 2019-49, s. 1.)