

§ 18B-703. Merger of local ABC operations.

(a) Conditions for Merger. – Any city governing body or board of county commissioners may merge its ABC system with the system of one or more other cities or counties if:

- (1) Stores operated by the systems of those jurisdictions serve the same general area or are in close proximity to each other; and
- (2) The merger is approved by the Commission.

(b) Appointment of Board. – Upon merger of ABC systems, the local boards for those systems shall be replaced by one board appointed jointly by the appointing authorities for the previous boards.

(c) Distribution of Profits. – Before merger, the cities or counties involved shall agree upon a formula for distribution of the profits of the new merged ABC system, based as closely as practicable on the distribution previously authorized for the separate systems. This formula for distribution shall be subject to approval by the Commission.

(d) Enforcement. – Local officers hired by the local ABC board for the merged ABC system shall have the same territorial jurisdiction that officers for each of the merged boards would have.

(e) Dissolution. – Except as otherwise provided in this subsection, with the approval of the Commission, the cities or counties that have merged their ABC systems may dissolve the merged operation at any time and resume their prior separate operations. A city or county that has merged with another local board pursuant to the requirements of G.S. 18B-700(c1) may only dissolve a merged operation if one of the following applies:

- (1) The city or county is merging with a different local board.
- (2) The city or county is ceasing operation of all ABC stores within the city or county.

(f) Other Details Negotiated. – Issues not addressed in this section concerning the merger or dissolution of ABC systems, such as the method of appointment of the merged board, the size of the merged board, or the procedure for dissolution, may be negotiated by the affected cities and counties, subject to the approval of the Commission.

(g) Operation Follows General Law. – Except as otherwise provided in this section, the authority and operation of any local board established under this section shall be the same as for any other local board.

(h) Agreement for Joint Store Operations. – With the approval of the Commission, two or more governing bodies of counties and/or municipalities with ABC systems may enter into a written agreement whereby one or more ABC stores located within the counties and/or municipalities that are parties to the agreement shall be controlled and operated by the local ABC board specified in the agreement, even though said ABC store or stores are located outside the boundaries of the county or municipality of the local ABC board that will be operating the ABC store or stores that are subject to the agreement. The provisions of this section shall be effective as to such agreements insofar as is applicable. Issues not addressed in this section shall be negotiated by the parties, subject to the approval of the Commission. (1981, c. 412, s. 2; c. 747, s. 51; 2001-128, s. 1; 2019-182, s. 16(c).)