

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 57*

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(Public)

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Referred to:

January 26, 1995

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT THE RECOMMENDATIONS OF THE LEGISLATIVE RESEARCH COMMISSION'S COMMITTEE ON ALCOHOLIC BEVERAGE CONTROL AND TO MAKE OTHER CHANGES IN THE ABC LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-101 reads as rewritten:

"§ 18B-101. Definitions.

As used in this Chapter, unless the context requires otherwise:

- (1) 'ABC law' or 'ABC laws' means any statute or statutes in this Chapter or in Article 2C of Chapter 105, and the rules issued by the Commission under the authority of this Chapter.
- (2) 'ABC permit' or 'permits' means any written or printed authorization issued by the Commission pursuant to the provisions of this Chapter, other than a purchase-transportation permit. Unless the context

- 1 clearly requires otherwise, as in the provisions concerning
2 applications for permits, 'ABC permit' or 'permit' means a presently
3 valid permit.
- 4 (3) 'ABC system' means a local board and all ABC stores operated by it,
5 its law-enforcement branch, and all its employees.
- 6 (4) 'Alcoholic beverage' means any beverage containing at least one-half
7 of one percent (0.5%) alcohol by volume, including malt beverages,
8 unfortified wine, fortified wine, spirituous liquor, and mixed
9 beverages.
- 10 (5) 'ALE Division' means the Alcohol Law Enforcement Division of the
11 Department of Crime Control and Public Safety.
- 12 (5a) 'Bailment surcharge' means the charge imposed on each case of
13 liquor shipped from a Commission warehouse as provided in G.S.
14 18B-208. This bailment surcharge is in addition to the bailment
15 charge imposed by G.S. 18B-804(b)(2).
- 16 (6) 'Commission' means the North Carolina Alcoholic Beverage Control
17 Commission established under G.S. 18B-200.
- 18 (7) 'Fortified wine' means any wine made by fermentation from grapes,
19 fruits, berries, rice, or honey, to which nothing has been added other
20 than pure brandy made from the same type of grape, fruit, berry,
21 rice, or honey that is contained in the base wine, and which has an
22 alcoholic content of not more than twenty-four percent (24%)
23 alcohol by volume.
- 24 (8) 'Local board' means a city or county ABC board, or local board
25 created pursuant to the provisions of G.S. 18B-703. A local board is
26 an independent local political subdivision of the State. Nothing in
27 this Chapter shall be construed as constituting a local board the
28 agency of a city or county or of the Commission.
- 29 (9) 'Malt beverage' means beer, lager, malt liquor, ale, porter, and any
30 other brewed or fermented beverage containing at least one-half of
31 one percent (0.5%), and not more than six percent (6%), alcohol by
32 volume.
- 33 (10) 'Mixed beverage' means either of the following:
34 a. A drink composed in whole or in part of spirituous liquor and
35 served in a quantity less than the quantity contained in a closed
36 package.
37 b. A premixed cocktail served from a closed package containing
38 only one serving.
- 39 (11) 'Nontaxpaid alcoholic beverage' means any alcoholic beverage upon
40 which the taxes imposed by the United States, this State, or any
41 other territorial jurisdiction in which the alcoholic beverage was
42 purchased have not been paid.

1 (12) 'Person' means an individual, firm, partnership, association,
2 corporation, limited liability company, other organization or group,
3 or other combination of individuals acting as a unit.

4 (13) 'Sale' means any transfer, trade, exchange, or barter, in any manner
5 or by any means, for consideration.

6 (13a) 'Special ABC area' means an area that meets ~~all of the~~ following
7 requirements:

8 Either:

9 a. 1. Has fewer than 500 permanent ~~residents.~~
10 residents;

11 ~~b.~~ 2. Is located in a county that borders another state,
12 that has at least one city that has approved the operation
13 of an ABC store, and in which the sale of unfortified
14 wine and malt beverages is permitted countywide or in
15 at least two ~~cities.~~ cities; and

16 ~~e.~~ 3. Contains more than 500 contiguous acres made
17 up of privately-owned land and land owned by an
18 association or a club that is exempt from income tax on
19 its membership income under Article 4 of Chapter 105
20 of the General Statutes, has more than 200 members,
21 was created for municipal and recreational purposes,
22 and, for three or more years, has levied assessments or
23 dues and provided municipal ~~services.~~ services; or

24 b. 1. Has more than 500 permanent residents;

25 2. Is located in a county:

26 I. Where ABC stores have heretofore been
27 established but in which the sale of mixed
28 beverages has not been approved;

29 II. That borders on a county that has approved the sale
30 of alcoholic beverages countywide and contains an
31 international airport; and

32 III. Borders on a county where ABC stores have
33 heretofore been established by petition pursuant to
34 law; and

35 3. Contains more than 500 contiguous acres made up of
36 privately owned land and land owned by an association or
37 a club that is exempt from income tax on its membership
38 income under Article 4 of Chapter 105 of the General
39 Statutes, has more than 200 members, was created for
40 municipal and recreational purposes, and, for three or
41 more years, has levied assessments or dues and provided
42 municipal services.

1 (14) 'Spirituous liquor' or 'liquor' means distilled spirits or ethyl alcohol,
2 including spirits of wine, whiskey, rum, brandy, gin and all other
3 distilled spirits and mixtures of cordials, liqueur, and premixed
4 cocktails, in closed containers for beverage use regardless of their
5 dilution.

6 (14a) 'Tourism ABC establishment' means a restaurant or hotel that meets
7 both of the following requirements:

8 a. Is located within 1.5 miles of the end of an entrance or exit ramp
9 of a junction on a national scenic parkway designed to attract
10 local, State, national, and international tourists between Milepost
11 305 and 460.

12 b. Is located in a county in which the on-premises sale of malt
13 beverages or unfortified wine is authorized in at least one city.

14 (15) 'Unfortified wine' means wine that has an alcoholic content produced
15 only by natural fermentation or by the addition of pure cane, beet, or
16 dextrose sugar, and that has an alcoholic content of not more than
17 ~~seventeen percent (17%) alcohol by volume. sugar.~~"

18 Sec. 2. G.S. 18B-500(a) reads as rewritten:

19 "(a) Appointment. – The Secretary of Crime Control and Public Safety shall
20 appoint alcohol law-enforcement agents and other enforcement personnel. The Secretary
21 of Crime Control and Public Safety may also appoint regular employees of the
22 Commission as alcohol law-enforcement agents. Alcohol law-enforcement agents shall
23 be designated as 'alcohol law-enforcement agents'."

24 Sec. 3. G.S. 18B-501(a) reads as rewritten:

25 "(a) Appointment. – Except as provided in subsection (f), each local board shall
26 hire one or more ABC enforcement officers. Local ABC enforcement officers shall be
27 designated as 'ABC Officers'. The local board may designate one officer as the chief
28 ABC officer for that board."

29 Sec. 4. G.S. 18B-501(f) reads as rewritten:

30 "(f) Contracts with Other Agencies. – Instead of hiring local ABC officers, a local
31 board may contract to pay its enforcement funds to a sheriff's department, city police
32 department, or other local law-enforcement agency for enforcement of the ABC laws
33 within the law-enforcement agency's territorial jurisdiction. Enforcement agreements
34 may be made with more than one agency at the same time. When such a contract for
35 enforcement exists, the officers of the contracting law-enforcement agency shall have the
36 same authority to inspect under G.S. 18B-502 that an ABC officer employed by that local
37 board would have. If a city located in two or more counties approves the sale of some
38 type of alcoholic beverage pursuant to the provisions of G.S. 18B-600(e4), and there are
39 no local ABC boards established in the city and one of the counties in which the city is
40 located, the local ABC board of any county in which the city is located may enter into an
41 enforcement agreement with the city's police department for enforcement of the ABC
42 laws within the entire city, including that portion of the city located in the county of the
43 ABC board entering into the enforcement agreement."

1 Sec. 5. G.S. 18B-603(d) reads as rewritten:

2 "(d) Mixed Beverage Elections. – If a mixed beverage election is held under G.S.
3 18B-602(h) and the sale of mixed beverages is approved, the Commission may issue
4 permits to qualified persons and establishments in the jurisdiction that held the election as
5 follows:

6 (1) The Commission may issue mixed beverage permits.

7 (2) The Commission may issue on-premises malt beverage, unfortified
8 wine, and fortified wine permits for establishments with mixed
9 beverage permits, regardless of any other election or any local act
10 concerning sales of those kinds of alcoholic beverages.

11 (3) The Commission may issue off-premises malt beverage permits to
12 any establishment that meets the requirements under G.S. 18B-
13 1001(2) in any township which has voted to permit the sale of mixed
14 beverages, regardless of any other local act concerning sales of those
15 kinds of alcoholic beverages. The Commission may also issue off-
16 premises unfortified wine permits to any establishment that meets
17 the requirements under G.S. 18B-1001(4) in any township which has
18 voted to permit the sale of mixed beverages, regardless of any other
19 local act concerning sales of those kinds of alcoholic beverages.

20 (4) The Commission may issue brown-bagging permits for private clubs
21 and congressionally chartered veterans organizations but may no
22 longer issue and may not renew brown-bagging permits for
23 restaurants, hotels, and community theatres. A restaurant, hotel, or
24 community theatre may not be issued a mixed beverage permit under
25 subdivision (1) until it surrenders its brown-bagging permit.

26 (5) The Commission may continue to issue culinary permits for
27 establishments that do not have mixed beverage permits. An
28 establishment may not be issued a mixed beverage permit under
29 subdivision (1) until it surrenders its culinary permit.

30 In any county in which the sale of mixed beverages has been approved in elections in
31 at least three cities that, combined, contain more than two-thirds the total county
32 population as of the most recent federal census, the county board of commissioners may
33 by resolution approve the sale of mixed beverages throughout the county, and the
34 Commission may issue permits as if mixed beverages had been approved in a county
35 election.

36 If a county or city holds a mixed beverage election and an ABC store election at the
37 same time and the voters do not approve the establishment of an ABC store, the
38 Commission may not issue mixed beverages permits in that county or city."

39 Sec. 6. G.S. 18B-900(c) reads as rewritten:

40 "(c) Who Must Qualify; Exceptions. – For an ABC permit to be issued to and held
41 for a business, each of the following persons associated with that business must qualify
42 under subsection (a):

43 (1) The owner of a sole proprietorship;

- 1 (2) Each member of a firm, association or general partnership;
2 (2a) Each general partner in a limited partnership;
3 (2b) Each manager and any member with a twenty-five percent (25%) or
4 greater interest in a limited liability company;
5 (3) Each officer, director and owner of twenty-five percent (25%) or
6 more of the stock of a corporation except that the requirement of
7 subdivision (a)(1) does not apply to such an officer, director, or
8 stockholder unless he is a manager or is otherwise responsible for
9 the day-to-day operation of the business;
10 (4) The manager of an establishment operated by a corporation other
11 than an establishment with only off-premises malt beverage, off-
12 premises unfortified wine, or off-premises fortified wine permits;
13 (5) Any manager who has been empowered as attorney-in-fact for a
14 nonresident individual or partnership."

15 Sec. 7. G.S. 18B-902(e) reads as rewritten:

16 "(e) Fee for Combined Applications. – If application is made at the same time for
17 retail malt beverage, unfortified wine and fortified wine permits for a single business
18 location, the total fee for those applications shall be two hundred dollars (\$200.00). If
19 application is made at the same time for brown-bagging and special occasion permits for
20 a single business location, the total fee for those applications shall be three hundred
21 dollars (\$300.00). If application is made at the same time for wine and malt beverage
22 importer permits, the total fee for those applications shall be one hundred fifty dollars
23 (\$150.00). If application is made at the same time for wine and malt beverage wholesaler
24 permits, the total fee for those applications shall be one hundred fifty dollars (\$150.00).
25 ~~If application is made in the same year for vendor representative permits to represent more than~~
26 ~~one vendor, only one fee shall be paid.~~—If application is made at the same time for
27 nonresident malt beverage vendor and nonresident wine vendor permits, the total fee for
28 those applications shall be fifty dollars (\$50.00)."

29 Sec. 8. G.S. 18B-1000(8) reads as rewritten:

- 30 "(8) Sports club. – An establishment substantially engaged in the
31 business of providing an 18-hole golf course, a two or more tennis
32 court, courts, or both. The sports club can either be open to the
33 general public or to members and their guests. To qualify as a sports
34 club, an establishment's gross receipts for club activities shall be
35 greater than its gross receipts for alcoholic beverages. This
36 provision does not prohibit a sports club from operating a restaurant.
37 Receipts for food shall be included in with the club activity fee."

38 Sec. 9. A sports club that has only one tennis court and does not have an 18-
39 hole golf course must have at least two tennis courts by October 1, 1996, to continue to
40 qualify for ABC permits as a sports club. The ABC Commission shall revoke any
41 permits previously issued to a sports club that does not meet the definition of sports club,
42 as amended by Section 8 of this act, as of October 1, 1996.

43 Sec. 10. G.S. 18B-1001 reads as rewritten:

1 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

2 When the issuance of the permit is lawful in the jurisdiction in which the premises is
3 located, the Commission may issue the following kinds of permits:

4 (1) On-Premises Malt Beverage Permit. – An on-premises malt
5 beverage permit authorizes the retail sale of malt beverages for
6 consumption on the premises and the retail sale of malt beverages in
7 the manufacturer's original container for consumption off the
8 premises. It also authorizes the holder of the permit to ship malt
9 beverages in closed containers to individual purchasers inside and
10 outside the State. The permit may be issued for any of the
11 following:

- 12 a. Restaurants;
- 13 b. Hotels;
- 14 c. Eating establishments;
- 15 d. Food businesses;
- 16 e. Retail businesses;
- 17 f. Private clubs;
- 18 g. Convention centers;
- 19 h. Community theatres.

20 The permit may also be issued to certain breweries as authorized by
21 G.S. 18B-1104(7).

22 (2) Off-Premises Malt Beverage Permit. – An off-premises malt
23 beverage permit authorizes the retail sale of malt beverages in the
24 manufacturer's original container for consumption off the ~~premises.~~
25 premises and it authorizes the holder of the permit to ship malt
26 beverages in closed containers to individual purchasers inside and
27 outside the State. The permit may be issued for any of the
28 following:

- 29 a. Restaurants;
- 30 b. Hotels;
- 31 c. Eating establishments;
- 32 d. Food businesses;
- 33 e. Retail businesses.

34 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified
35 wine permit authorizes the retail sale of unfortified wine for
36 consumption on the premises, either alone or mixed with other
37 beverages, and the retail sale of unfortified wine in the
38 manufacturer's original container for consumption off the premises.
39 It also authorizes the holder of the permit to ship unfortified wine in
40 closed containers to individual purchasers inside and outside the
41 State. The permit may be issued for any of the following:

- 42 a. Restaurants;
- 43 b. Hotels;

- 1 c. Eating establishments;
2 d. Private clubs;
3 e. Convention centers;
4 f. Cooking schools;
5 g. Community theatres[;]theatres;
6 h. Winery.
- 7 (4) Off-Premises Unfortified Wine Permit. – An off-premises
8 unfortified wine permit authorizes the retail sale of unfortified wine
9 in the manufacturer's original container for consumption off the
10 ~~premises.~~ premises and it authorizes the holder of the permit to ship
11 unfortified wine in closed containers to individual purchasers inside
12 and outside the State. The permit may be issued for retail
13 businesses. The permit may also be issued for a winery for sale of
14 its own unfortified wine.
- 15 (5) On-Premises Fortified Wine Permit. – An on-premises fortified wine
16 permit authorizes the retail sale of fortified wine for consumption on
17 the premises, either alone or mixed with other beverages, and the
18 retail sale of fortified wine in the manufacturer's original container
19 for consumption off the premises. It also authorizes the holder of the
20 permit to ship fortified wine in closed containers to individual
21 purchasers inside and outside the State. The permit may be issued
22 for any of the following:
23 a. Restaurants;
24 b. Hotels;
25 c. Private clubs;
26 d. Community theatres[;]theatres;
27 e. Wineries;
28 f. Convention centers.
- 29 (6) Off-Premises Fortified Wine Permit. – An off-premises fortified
30 wine permit ~~shall authorize~~ authorizes the retail sale of fortified wine
31 in the manufacturer's original container for consumption off the
32 ~~premises.~~ premises and it authorizes the holder of the permit to ship
33 fortified wine in closed containers to individual purchasers inside
34 and outside the State. The permit may be issued for food businesses.
35 The permit may also be issued for a winery for sale of its own
36 fortified wine.
- 37 (7) Brown-Bagging Permit. – A brown-bagging permit authorizes each
38 individual patron of an establishment, with the permission of the
39 permittee, to bring up to eight liters of fortified wine or spirituous
40 liquor, or eight liters of the two combined, onto the premises and to
41 consume those alcoholic beverages on the premises. The permit
42 may be issued for any of the following:
43 a. Restaurants;

- 1 b. Hotels;
2 c. Private clubs;
3 d. Community theaters;
4 e. Congressionally-chartered veterans organizations.
- 5 (8) Special Occasion Permit. – A special occasion permit authorizes the
6 host of a reception, party or other special occasion, with the
7 permission of the permittee, to bring fortified wine and spirituous
8 liquor onto the premises of the business and to serve the same to his
9 guests. The permit may be issued for any of the following:
- 10 a. Restaurants;
11 b. Hotels;
12 c. Eating establishments;
13 d. Private clubs;
14 e. Convention centers.
- 15 (9) Limited Special Occasion Permit. – A limited special occasion
16 permit authorizes the permittee to bring fortified wine and spirituous
17 liquor onto the premises of a business, with the permission of the
18 owner of that property, and to serve those alcoholic beverages to the
19 permittee's guests at a reception, party, or other special occasion
20 being held there. The permit may be issued to any individual other
21 than the owner or possessor of the premises. An applicant for a
22 limited special occasion permit shall have the written permission of
23 the owner or possessor of the property on which the special occasion
24 is to be held.
- 25 (10) Mixed Beverages Permit. – A mixed beverages permit
26 authorizes the retail sale of mixed beverages for consumption on the
27 premises. The permit also authorizes a mixed beverages permittee to
28 obtain a purchase-transportation permit under G.S. 18B-403 and
29 18B-404, and to use for culinary purposes spirituous liquor lawfully
30 purchased for use in mixed beverages. The permit may be issued for
31 any of the following:
- 32 a. Restaurants;
33 b. Hotels;
34 c. Private clubs;
35 d. Convention centers;
36 e. Community theatres;
37 f. Nonprofit ~~and political organizations.~~ organizations; and
38 g. Political organizations.
- 39 (11) Culinary Permit. – A culinary permit authorizes a permittee to
40 possess up to 12 liters of either fortified wine or spirituous liquor, or
41 12 liters of the two combined, in the kitchen of a business and to use
42 those alcoholic beverages for culinary purposes. The permit may be
43 issued for either of the following:

- 1 a. Restaurants;
- 2 b. Hotels.
- 3 c. Cooking schools.

4 A culinary permit may also be issued to a catering service to allow the
5 possession of the amount of fortified wine and spirituous liquor stated
6 above at the business location of that service and at the cooking site.
7 The permit shall also authorize the caterer to transport those alcoholic
8 beverages to and from the business location and the cooking site, and
9 use them in cooking.

10 (12) Mixed Beverages Catering Permit. – A mixed beverages catering
11 permit authorizes a hotel or a restaurant that has a mixed beverages
12 permit to bring spirituous liquor onto the premises where the hotel or
13 restaurant is catering food for an event and to serve the liquor to
14 guests at the event.

15 (13) Guest Room Cabinet Permit. – A guest room cabinet permit
16 authorizes a hotel having a mixed beverages permit to sell to its
17 room guests, from securely locked cabinets, malt beverages,
18 unfortified wine, fortified wine, and spirituous liquor. A permittee
19 shall designate and maintain at least ten percent (10%) of the
20 permittee's guest rooms as rooms that do not have a guest room
21 cabinet. A permittee may dispense alcoholic beverages from a guest
22 room cabinet only in accordance with written policies and
23 procedures filed with and approved by the Commission. A permittee
24 shall provide a reasonable number of vending machines, coolers, or
25 similar machines on premises for the sale of soft drinks to hotel
26 guests.

27 A guest room cabinet permit may be issued for any of the following:

- 28 a. A hotel located in a county subject to G.S. 18B-600(f).
- 29 b. A hotel located in a county that has a population in excess of
30 150,000 by the last federal census."

31 Sec. 11. G.S. 18B-1006(i)(4) reads as rewritten:

32 "(4) A boat shall have a home port in an area where issuance of any of
33 the permits listed in subdivision (3) is legal, and all passengers shall
34 enter the boat at the home port or at other ports listed on a
35 preannounced itinerary. The boat's permits are valid during tours
36 that leave and return to the boat's home port, and apply regardless of
37 whether the boat crosses into an area where sales are not legal, if the
38 boat docks only at a port listed on the preannounced itinerary, except
39 in an emergency; and".

40 Sec. 12. G.S. 18B-1006(k) reads as rewritten:

41 "(k) Residential Private Club and Sports Club Permits. – The Commission may
42 issue the permits listed in G.S. 18B-1001, without approval at an election, to a residential

1 private club or a sports club that is located in a county that meets the requirements set in
2 any of the following subdivisions:

- 3 (1) Has a population of less than 45,000 by the last federal census, has at
4 least three but not more than four cities that have approved the sale
5 of malt beverages or unfortified wine, has only one city that has
6 approved the on-premises sale of malt beverages, and has at least
7 two cities that approved the operation of ABC stores before July 10,
8 1992.
- 9 (2) Borders a county that has called elections pursuant to G.S. 18B-
10 600(f), and:
- 11 a. Has not approved the issuance of permits, other than malt
12 beverage permits, in unincorporated areas of the county, and has
13 no more than three cities that approved the operation of ABC
14 stores before July 10, 1992; or
- 15 b. Both the county and the two cities within the county have
16 approved the operation of ABC stores.
- 17 (3) Is bordered by four counties that have not approved the issuance of
18 permits and have at least one city that has approved the operation of
19 an ABC store.
- 20 (4) Has not approved the issuance of permits, has at least three cities
21 that have approved the issuance of only either off-premises malt
22 beverage or both off-premises malt beverage and off-premises
23 unfortified wine permits, and has only one city that, as of July 1,
24 1993, had approved the operation of an ABC store.
- 25 (5) Borders a county that has approved the issuance of all permits and
26 the operation of an ABC store, meets the county description of a
27 special ABC area in G.S. 18B-101(13a)b., and, as of July 1, 1995,
28 had at least five cities that had authorized the issuance of permits.
- 29 (6) Borders two states and, as of July 1, 1995, had only one city that had
30 approved the issuance of permits.

31 The mixed beverages purchase-transportation permit authorized by G.S. 18B-404(b)
32 shall be issued by a local board operating a store located in the county."

33 Sec. 12.1. G.S. 18B-1006 is amended by adding a new section to read:

34 "(1) Marina. – The Commission may issue the permits listed in G.S. 18B-1001,
35 without approval at an election, to a restaurant operated as a part of a deep saltwater
36 marina. A 'deep saltwater marina' is a marina that meets all of the following
37 requirements:

- 38 (1) Is located in a county that borders the Atlantic Ocean and that has a
39 beautification district which, as of July 1, 1995, had approved the
40 issuance of all permits and the operation of an ABC store.
- 41 (2) Either is located on the Atlantic Ocean or a sound.
- 42 (3) Has at least 100 boat slips that are at least 40 feet in length."

43 Sec. 13. G.S. 18B-1007(b) reads as rewritten:

1 "(b) Handling Bottles. – It shall be unlawful for a mixed beverages permittee or the
2 permittee's agent or employee to do any of the following:

- 3 (1) Store any other spirituous liquor with liquor possessed for resale in
4 mixed beverages or from a guest room cabinet.
5 (2) Refill any spirituous liquor container having a mixed beverages tax
6 stamp with any other alcoholic beverage, or add to the contents of
7 such a container any other alcoholic beverage.
8 (3) Transfer from one container to another a mixed beverages tax stamp.
9 (4) Possess any container of spirituous liquor not bearing a mixed
10 beverages tax stamp, except for containers being brought onto the
11 premises by the host of a private function under a special occasion
12 permit."

13 Sec. 14. G.S. 18B-1301 reads as rewritten:

14 **"§ 18B-1301. Definitions.**

- 15 (1) 'Supplier' means a brewer, ~~fermenter, processor, bottler, packager or~~
16 importer of malt beverages, including anyone who holds a brewery,
17 malt beverages importer or nonresident malt beverages vendor
18 permit.
19 (2) 'Wholesaler' means the holder of a malt beverages wholesaler
20 permit."

21 Sec. 15. G.S. 18B-1303(a) reads as rewritten:

22 "(a) Filing. – It is unlawful for a supplier to provide malt beverages to a wholesaler
23 ~~unless a distribution agreement has been filed with the Commission~~ has received notification
24 from the supplier describing designating the brands of the supplier which the wholesaler is
25 authorized to sell and the territory in which such sales may take place. If the supplier
26 sells several brands, the agreement need not apply to all brands. No supplier may provide
27 by a distribution agreement for the distribution of a brand to more than one wholesaler
28 for the same territory. A wholesaler shall not distribute any brand of malt beverage to a
29 retailer whose premises are located outside the territory specified in the wholesaler's
30 distribution agreement for that brand. A wholesaler may, however, with the approval of
31 the Commission distribute malt beverages outside his designated territory during periods
32 of temporary service interruption when requested to do so by the supplier and the
33 wholesaler whose service is interrupted."

34 Sec. 16. G.S. 105-113.68(a)(12) reads as rewritten:

- 35 "(12) 'Unfortified wine' means wine that has an alcoholic content produced
36 only by natural fermentation or by the addition of pure cane, beet, or
37 dextrose sugar, ~~and that has an alcoholic content of not more than~~
38 ~~seventeen percent (17%) alcohol by volume.~~ sugar."

39 Sec. 17. Section 6 of Chapter 734 of the 1969 Session Laws, as amended by
40 Chapter 129 of the 1987 Session Laws, reads as rewritten:

41 "Sec. 6. Out of the gross profits derived from the operation of said alcoholic beverage
42 control stores and after the payment of all costs and operating expenses and after
43 retaining sufficient and proper working capital, the amount thereof to be determined by

1 the Town of Sunset Beach Board of Alcoholic Control, said board shall further expend an
2 amount as necessary for law enforcement purposes of not less than five per cent (5%) nor
3 more than ten per cent (10%) thereof, ~~to be determined by quarterly audit, which (10%).~~ This
4 amount shall supplement and not supplant the amount usually budgeted for such purposes
5 by the Town of Sunset Beach. In the expenditure of said funds, the Town Board of
6 Alcoholic Control shall employ one or more persons as law enforcement officer or
7 officers to be appointed by and directly responsible to the said board. The person or
8 persons so appointed shall, after taking the oath prescribed by law for peace officers,
9 have the same powers and authorities within Brunswick County as other peace officers.
10 And any such person or persons so appointed, or any other peace officer while in hot
11 pursuit of anyone found to be violating the prohibition laws of this State, shall have the
12 right to go into any other county of the State and arrest such defendant therein so long as
13 such hot pursuit of such person shall continue, and the common law of hot pursuit shall
14 be applicable to said offenses and such officer or officers. Any law enforcement officer
15 appointed by the said Board of Alcoholic Control and any other peace officer are hereby
16 authorized, upon request of the sheriff or other lawful officer in any other county, to go
17 into such other county and assist in suppressing a violation of the prohibition laws
18 therein, and while so acting, shall have such powers as a peace officer as are granted to
19 him in Brunswick County and be entitled to all the protection provided for said officer
20 while acting in his own county.

21 Out of the net profits derived from the operation of said alcoholic beverage control
22 stores, the Town of Sunset Beach Board of Alcoholic Control, shall, on a quarterly basis,
23 pay over to the following named governing bodies, departments, boards, and agencies
24 amounts equal to the percentages of the net profits which shall be expended by said
25 governing bodies, departments, boards, and agencies for these purposes and none other as
26 follows:

27 (a) Fifteen per cent (15%) to be given to the Calabash Volunteer Rescue Squad,
28 Inc.

29 (b) Sixty-five per cent (65%) to be retained by the Town Board of Alcohol Control
30 in a special fund until sufficient funds are available from this and other sources for the
31 construction of a new building by the board and then this percentage of funds are to be
32 distributed to the general fund of the Town of Sunset Beach.

33 (c) Twenty per cent (20%) to go to the Board of Education of Brunswick County
34 for use at the Union Primary School, the Shallotte School, Waccamaw Primary School,
35 and West Brunswick High School."

36 Sec. 18. This act becomes effective October 1, 1995.