

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

**SESSION LAW 2002-102  
HOUSE BILL 190**

AN ACT TO ALLOW THE HOLDER OF A VITICULTURE/ENOLOGY COURSE AUTHORIZATION TO MANUFACTURE, POSSESS, AND SELL WINE FOR CERTAIN LIMITED PURPOSES AS A PART OF A COMMUNITY COLLEGE'S OR COLLEGE'S VITICULTURE/ENOLOGY PROGRAM.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 11 of Chapter 18B of the General Statutes is amended by adding a new section to read:

**"§ 18B-1114.4. Viticulture/Enology course authorization.**

(a) Authorization. – The holder of a viticulture/enology course authorization may:

- (1) Manufacture wine from grapes grown on the school's campus or leased property for the purpose of providing instruction and education on the making of unfortified wines.
- (2) Possess wines manufactured during the viticulture/enology program for the purpose of conducting wine-tasting seminars and classes for students who are 21 years of age or older.
- (3) Sell wines produced during the course to wholesalers or to retailers upon obtaining a wine wholesaler permit under G.S. 18B-1107, except that the permittee may not receive shipments of wines from other producers.

(b) Limitation. – Authorization for a viticulture/enology course shall be granted by the Commission only for a community college or college that offers a viticulture/enology program as a part of its curriculum offerings for students of the school. No retail sales of wine shall be made by the students, instructor, or school. Wines may be manufactured only from grapes grown in a viticulture/enology course vineyard, not to exceed five acres, that is located on the school's campus or leased property.

(c) The holder of a viticulture/enology course authorization may manufacture wines from grapes grown by others until June 30, 2004. Otherwise, wine may be manufactured only as provided in subsection (b) of this section.

(d) The holder of a viticulture/enology course authorization shall not be considered a winery for the purposes of this Chapter or Chapter 105 of the General Statutes."

**SECTION 2.** G.S. 18B-1101 reads as rewritten:

**"§ 18B-1101. Authorization of unfortified winery permit.**

The holder of an unfortified winery permit may:

- (1) Manufacture unfortified wine;
- (2) Sell, deliver and ship unfortified wine in closed containers to wholesalers licensed under this Chapter as authorized by the ABC laws, except that wine may be sold to exporters and nonresident wholesalers only when the purchase is not for resale in this State;
- (2a) Receive, in closed containers, unfortified wine produced inside or outside North Carolina under the winery's label from grapes, berries, or other fruits owned by the winery, and sell, deliver, and ship that

wine to wholesalers, exporters, and nonresident wholesalers in the same manner as its wine manufactured in North Carolina. This provision may be used only by a winery during its first three years of operation or when there is substantial damage to its grapes, berries, or other fruits from catastrophic crop loss. This provision may be used only three years out of every 10 years and notice must be given to the Commission each time this provision is used;

- (3) Ship its wine in closed containers to individual purchasers inside and outside this State;
- (4) Furnish or sell "short-filled" packages, on which State taxes have been or will be paid, to its employees for the use of the employees or their families and guests in this State;
- (5) Regardless of the results of any local wine election, sell the wine owned by the winery at the winery for on- or off-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001;
- (6) Sell the wine owned by the winery for on- or off-premise consumption at no more than three other locations in the State, upon obtaining the appropriate permit under G.S. 18B-1001; and
- (7) Obtain a wine wholesaler permit to sell, deliver, and ship at wholesale unfortified wine manufactured at the winery. The authorization of this subdivision applies only to a winery that annually sells, to persons other than exporters and nonresident wholesalers when the purchase is not for resale in this State, no more than 300,000 gallons of unfortified wine manufactured by it at the winery.

A sale under subdivision (4) shall not be considered a retail or wholesale sale under the ABC laws."

**SECTION 3.** G.S. 66-58(c) is amended by adding a new subdivision to read:

"(1a) The sale of products raised or produced incident to the operation of a community college viticulture/enology program as authorized by G.S. 18B-1114.4."

**SECTION 4.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 28<sup>th</sup> day of August, 2002.

s/ Marc Basnight  
President Pro Tempore of the Senate

s/ James B. Black  
Speaker of the House of Representatives

s/ Michael F. Easley  
Governor

Approved 4:01 p.m. this 29<sup>th</sup> day of August, 2002