GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

HOUSE BILL 198

Committee Substitute Favorable 3/5/25
Senate Commerce and Insurance Committee Substitute Adopted 5/22/26
Senate Finance Committee Substitute Adopted 6/16/26

Short Title: ABC Omnibus of 2026. (Public)

Sponsors:

Referred to:

February 26, 2025

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAWS OF THIS STATE RELATED TO ALCOHOLIC BEVERAGES AND RAFFLES.

The General Assembly of North Carolina enacts:

PART I. ABC WAREHOUSE LOAN

ALLOW ABC COMMISSION TO OBTAIN A LOAN FOR A NEW STATE WAREHOUSE

SECTION 1.(a) Notwithstanding G.S. 18B-208, the Alcoholic Beverage Control Commission may, with the approval of the Governor, obtain a one-time loan of up to three hundred ten million dollars ($310,000,000) from a financial institution to be used for planning, design, construction, and equipping of a new automated warehouse and associated offices for the Commission, as well as purchasing any real property for the new automated warehouse and associated offices for the Commission, provided that the Commission may not pledge real property owned by the State of North Carolina as collateral. The Commission's obtaining of a loan shall not directly or indirectly or contingently obligate the State to levy or to pledge any form of taxation or to make any appropriation for repayment of the loan. Notwithstanding G.S. 18B-902(g), the Commission shall repay the loan, including interest, from the proceeds of permit fees collected by the Commission. The Commission may prepay any obligation under this section, in whole or in part, without penalty unless the loan agreement expressly provides otherwise. To the extent the proceeds from the fees referenced in this subsection are deemed unappropriated, they are hereby appropriated for the purpose of repaying the loan described in this subsection. For purposes of this section, the term "financial institution" means any banking corporation or trust company, savings and loan association, credit union, insurance company, or related corporation, partnership, foundation, or other institution engaged primarily in lending or investing funds.

SECTION 1.(b) This section becomes effective July 1, 2026.

PART II. ABC TECHNICAL AND CLARIFYING CHANGES

BROWN-BAGGING TECHNICAL CORRECTION

SECTION 2. G.S. 18B-603(d) reads as rewritten:

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

…

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

…."

AIRPORT TECHNICAL CORRECTION

SECTION 3. G.S. 18B-300.3 reads as rewritten:

"**§ 18B-300.3. Possession and consumption of alcoholic beverages in the security-screened area of airports.**

(a) During the hours of airport operation, any establishment permitted under subdivision (1), (3), (5), or (10) of ~~G.S. 18B-1000~~ G.S. 18B-1001 and operating in the Transportation Security Administration-screened portion of an airport may, with the written approval of the airport authority, sell the alcoholic beverages it is permitted to sell for consumption throughout the Transportation Security Administration-screened portion of the establishment's respective airport terminal.

(b) An alcoholic beverage served for consumption throughout an establishment's airport terminal shall be served in a container that meets all of the following requirements:

(1) The container is not comprised of glass.

(2) The container displays, in no less than 12-point font, the statement, "Drink Responsibly – Be 21."

(3) The container shall not hold more than 16 fluid ounces.

(c) A customer may purchase and consume alcoholic beverages throughout the interior of the Transportation Security Administration-screened portion of the respective airport terminal, provided that the purchase is from an approved establishment permitted under subdivision (1), (3), (5), or (10) of ~~G.S. 18B-1000.~~G.S. 18B-1001.

(d) This section applies only to airports that service airplanes boarding at least 150,000 passengers annually."

CLARIFY PERMISSION TO TAKE MIXED BEVERAGES ONTO PERMITTED PREMISES IN A SOCIAL DISTRICT

SECTION 4. G.S. 18B-300.1(f) reads as rewritten:

"(f) Limitations on Open Containers. – Except where otherwise allowed by local ordinance, the possession and consumption of an open container of an alcoholic beverage in a social district is subject to all of the following requirements:

…

(6) Notwithstanding G.S. 18B-300 and G.S. 18B-301, a permittee or non-permittee business may allow a customer to possess and consume on the business's premises alcoholic beverages purchased from a permittee in the social district. A permittee business that is not permitted to sell mixed beverages may allow a customer to possess and consume on the business's premises mixed beverages purchased from a mixed beverages permittee in the social district."

DELIVERY SERVICES PERMIT TECHNICAL CORRECTIONS

SECTION 5. G.S. 18B-1001.4 reads as rewritten:

"**§ 18B-1001.4. Authorization of delivery service permit.**

(a) Authorization. – The holder of a delivery service permit, or the permit holder's employee or independent contractor, may deliver malt beverages, unfortified wine, or fortified wine on behalf of a retailer holding a permit issued pursuant to subdivisions (1) through (6) and (16) of G.S. 18B-1001, and single-serving wine drinks or mixed beverages on behalf of a retailer holding a permit issued pursuant to subdivision (3), (5), or (10) of G.S. 18B-1001 when delivered in accordance with the requirements of those subdivisions, to a location designated by the purchaser. A delivery service permittee may also facilitate delivery through technology services that connect consumers and licensed retailers through the use of the Internet, mobile applications, and other similar technology.

…

(e) Scope and Construction. – A delivery service permit is not required for a common carrier lawfully transporting or shipping alcoholic beverages. Nothing in this section shall be construed as exempting the delivery of alcoholic beverages pursuant to a delivery service permit from the requirements set forth in Article 4 of Chapter 18B of the General Statutes. Nothing in this section shall be construed to require a technology services company to obtain a delivery service permit if the company does not employ or contract with delivery drivers, but rather provides software or an application that connects consumers and licensed retailers for the delivery of alcoholic beverages from the licensed retailer. Nothing in this section shall be construed to require a retailer that holds a permit issued pursuant to subdivisions (1) through (6), (10), and (16) of G.S. 18B-1001 to obtain a delivery service permit in order for employees of the retail permittee to deliver malt beverages, unfortified wine, or fortified wine to a location designated by the ~~purchaser,~~ purchaser; however, the other provisions of this section apply to the retailer.

…."

CLARIFY SAFE HARBOR FOR LATE ABC PERMIT RENEWALS

SECTION 6.(a) G.S. 18B-903 reads as rewritten:

"**§ 18B-903. Duration of permit; renewal and transfer.**

(a) Duration. – Once issued, ABC permits shall be valid for the following periods, unless earlier surrendered, suspended or revoked:

…

(5) All other ABC permits shall be valid ~~for one year,~~ from May 1 to ~~April 30.~~May 31 of the following year, as provided in subsection (b3) of this section.

(b) Renewal. – Application for renewal of an ABC permit shall be on a form provided by the Commission. An application for renewal shall be accompanied by an application fee. The application fee shall be the same amount as the initial fee set in G.S. 18B-902, except that the renewal application fee for each wine shop permit or malt beverage shop permit shall be five hundred dollars ($500.00), and the renewal application fee for each mixed beverages permit and each guest room cabinet permit shall be one thousand dollars ($1,000). The fee shall be paid by May 1 of each year. A renewal fee shall not be refundable.

(b1) Registration. – Each person holding a malt beverage, fortified wine, or unfortified wine permit issued pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6) shall register by May 1 of each year on a form provided by the Commission, in order to provide information needed by the State in enforcing this Chapter and to support the costs of that enforcement. The registration required by this subsection shall be accompanied by an annual registration ~~and inspection~~ fee of four hundred dollars ($400.00) for each permit held. The fee shall be paid by May 1 of each year. A registration fee shall not be refundable. Failure to pay the annual registration ~~and inspection~~ fee shall result in revocation of the permit.

…

(b3) Safe Harbor; Late Fees. – Notwithstanding subsection (a) of this section, no permit issued under Article 10 of this Chapter, other than a special occasion permit, limited special occasion permit, or special one-time permit, shall expire or be revoked or canceled by the Commission ~~shall not revoke a permit~~ for failure to pay a renewal application fee or an annual registration ~~and inspection~~ fee until June 1 of each ~~year.~~ year, and the permittee shall be allowed to operate under the permit until that date. No later than five business days after April 30 of each year, the Commission shall notify permittees who have not paid any required renewal application fees or annual registration ~~and inspection~~ fees as of ~~April 30.~~ April 30 by email or first-class mail. The Commission shall charge a late fee of twenty-five percent (25%) of the renewal application fee or registration ~~and inspection~~ fee for a permit for which the renewal application fee or registration ~~and inspection~~ fee is submitted after April 30.

…."

SECTION 6.(b) G.S. 18B-900, as amended by Section 17(e) of this act, reads as rewritten:

"**§ 18B-900. Qualifications for permit.**

(a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must satisfy all of the following requirements:

…

(6) Not have had an alcoholic beverage permit revoked within three years, except where the revocation was based solely on a permittee's failure to pay the annual registration ~~and inspection~~ fee required in G.S. 18B-903(b1).

…

(8) Be current in filing all applicable tax returns to the State and in payment of all taxes, interest, and penalties that are collectible under G.S. 105-241.22. This subdivision does not apply to the following ABC permits:

a. Special occasion permit under G.S. 18B-1001(8).
b. Limited special occasion permit under G.S. 18B-1001(9).
c. Special one-time permit under G.S. 18B-1002.
d. Salesman permit under G.S. 18B-1111.
e. Special multiple event permit under G.S. 18B-1002.2.

To avoid undue hardship, however, the Commission may decline to take action under G.S. 18B-104 against a permittee who is in violation of subdivisions (3), (4), or (5) of this subsection. Additionally, to avoid undue hardship, the Commission may, in its discretion, allow the renewal of a permit for a permittee who is in violation of subdivision (8) of this subsection.

…

(f) Procedure to Confirm State Tax Compliance. – Upon request of the Commission, the Department of Revenue must provide information to the Commission to confirm a person's compliance with subdivision (a)(8) of this section. If the Department of Revenue notifies the Commission that a person is not in compliance, then the Commission shall not issue ~~or renew~~ the person's permit until the Commission receives notice from the Department of Revenue that the person is in ~~compliance.~~ compliance; however, the Commission may, in its discretion, allow the renewal of a permit notwithstanding a person's lack of compliance with subdivision (a)(8) of this section. The requirement to pay all taxes, interest, and penalties may be satisfied by an operative agreement under G.S. 105-237 covering any amounts that are collectible under G.S. 105-241.22. Chapter 150B of the General Statutes does not apply to a Commission action on issuance, suspension, or revocation of an ABC permit under subdivision (a)(8) of this section."

SECTION 6.(c) G.S. 105-113.83A(d) reads as rewritten:

"(d) Penalty. – The Secretary must notify the ABC Commission when a permittee required to register is ~~not eligible to hold an ABC permit for failure to satisfy~~ in violation of G.S. 18B-900(a)(8). Upon notification, the ABC Commission ~~must~~ may impose any penalty permitted under G.S. 18B-104."

SECTION 6.(d) Notwithstanding any other provision of law, if (i) a permit holder was charged a late fee by the Alcoholic Beverage Control Commission pursuant to G.S. 18B-903(b3) as a result of a notification from the Department of Revenue to the Commission pursuant to G.S. 18B-900(f) and (ii) the permit holder complied with G.S. 18B-900(a)(8) before June 1 of the year in which the permit was renewed, in accordance with the safe harbor provision in G.S. 18B-903(b3), then the permit holder may request a refund of the late fee from the Commission. A permit holder must submit to the Commission evidence of compliance with G.S. 18B-900(a)(8) before June 1 of the year in which the permit was renewed to receive a refund pursuant to this subsection. The Commission shall refund late fees to any permit holder who meets the requirements of this subsection and requests a refund. All refund requests pursuant to this subsection must be submitted to the Commission by May 31, 2027.

SECTION 6.(e) Subsection (a) of this section is retroactively effective June 28, 2024. The remainder of this section is effective when it becomes law.

CLARIFY MOBILE BAR SERVICE PERMIT AND INTERACTION WITH CERTAIN ON-PREMISES PERMITS

SECTION 7. G.S. 18B-1001(12a) reads as rewritten:

"(12a) Mobile Bar Services Permit. –

a. A mobile bar services permit may be issued to a business that provides bartending services for events. The permit authorizes the permittee to bring malt beverages, unfortified wine, fortified wine, and spirituous liquor onto the premises of a business that is not an ABC permittee and to serve the alcoholic beverages to guests at the event. ~~The~~ Except as provided in sub-subdivision b. of this subdivision, the permittee may purchase malt beverages and unfortified wine ~~from either a retailer or a wholesaler.~~ only from a retailer. The permittee may purchase fortified wine ~~from either an ABC store or a wholesaler. The permittee shall purchase~~ and spirituous liquor only from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county where the permittee's principal office is located. If the permittee's premises for storage of inventory is a residential address, the permittee may designate an area of the premises to be used for storage of inventory pursuant to the permit. An inspection of the premises pursuant to G.S. 18B-502 shall extend only to the area that the permittee has designated for storage of inventory unless the law enforcement officer conducting the inspection has (i) a warrant to search the residence or (ii) probable cause to search the residence and exigent circumstances exist.

b. The holder of a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a) may also hold a mobile bar services permit at the same permitted premises. Notwithstanding sub-subdivision a. of this subdivision, a permittee who holds both a mobile bar services permit and a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a) may not obtain or serve alcoholic beverages that the permittee is not allowed to sell under the permit or permits that the permittee holds that are issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a). The permittee shall only use as inventory for the mobile bar services permit the permittee's inventory of alcoholic beverages lawfully purchased from a wholesaler pursuant to the permit or permits that the permittee holds under G.S. 18B-1001(1), (3), (5), (16), or (16a). The

mobile bar services permit shall authorize such a permittee to bring those alcoholic beverages onto the premises of a business that is not an ABC permittee and serve the alcoholic beverages to guests at the event. Alcoholic beverages that are taken from the permittee's inventory to an event at another premises under a mobile bar services permit may be restored to inventory after the event if the alcoholic beverages are still in the manufacturer's original unopened container.

c. ~~The~~ A mobile bar services permittee may not serve alcoholic beverages pursuant to a mobile bar services permit on the premises of any location owned or possessed by the permittee. The permittee shall notify the Commission, in writing, of the location of any event where the permittee will serve alcoholic beverages not less than one week before the event and shall have the permission of the owner or possessor of the property on which the event is to be held. Any person serving alcoholic beverages at the event shall be at least 21 years of age. Alcoholic beverages may be transported by the mobile bar services permit holder to the premises of the event no earlier than 8:00 A.M. on the day of the event. At the conclusion of the event, all alcoholic beverages must be removed from the premises no later than 12:00 noon of the following day. A limited special occasion permit shall not be required for an event at which alcoholic beverages are exclusively provided by the holder of a mobile bar services permit. The holder of a mobile bar services permit may bring alcoholic beverages onto the premises and serve the alcoholic beverages at an event regardless of whether there is a charge or fee for guests to attend the event. This permit does not allow the retail sale of individual alcoholic beverages to guests at an event."

CLARIFY THAT THE ABC COMMISSION MAY ORDER CERTAIN DISPOSITIONS OF SEIZED ALCOHOLIC BEVERAGES AFTER AN OFFER IN COMPROMISE TO RESOLVE AN ABC LAW VIOLATION HAS BEEN ACCEPTED BY THE COMMISSION

SECTION 8.(a) G.S. 18B-503 reads as rewritten:

"**§ 18B-503. Disposition of seized alcoholic beverages.**

(a) Storage. – A ~~law-enforcement~~ law enforcement officer who seizes alcoholic beverages as evidence of an ABC law violation shall provide for the storage of those alcoholic beverages until the commencement of the trial or administrative hearing relating to the violation, unless some other disposition is authorized under this section.

(b) Disposition Before Trial. – After giving notice to each defendant, to any other known owner, and to the Commission, a judge may order any of the following dispositions of alcoholic beverages seized as evidence of an ABC law violation:

(1) The destruction of any malt beverages except that amount needed for evidence at trial.

(2) The sale of any alcoholic beverages other than malt beverages or nontaxpaid alcoholic beverages, and other than any alcoholic beverages needed for evidence at trial, if the trial is likely to be delayed for more than 90 days, or if the quantity or nature of the alcoholic beverages is such that storage is impractical or unduly expensive.

(3) The destruction of the alcoholic beverages if storage or sale is not practical.

(4) Continued storage of the alcoholic beverages.

(c) Disposition After Trial. – After the criminal charge is resolved, a judge may order the following dispositions of seized alcoholic beverages:

(1) If the owner or possessor of the alcoholic beverages is found guilty of a criminal charge relating to those alcoholic beverages, the judge may order the sale or destruction of any alcoholic beverages that were held until trial.

(2) If the owner or possessor of the alcoholic beverages is found not guilty, or if charges are dismissed or otherwise resolved in favor of the owner or possessor, the judge shall order the alcoholic beverages returned to that owner or possessor, except as provided in subdivision (3).

(3) If the owner or possessor of the alcoholic beverages is found not guilty, or if charges are otherwise resolved in favor of the owner or possessor, but possession of the alcoholic beverages by that owner or possessor would be unlawful, the judge shall order the alcoholic beverages either sold or destroyed.

(4) If ownership of the alcoholic beverages remains uncertain after trial or after the charges have been dismissed, the judge may order the alcoholic beverages held, or the alcoholic beverages sold and the proceeds held, for a specified time, until ownership of the alcoholic beverages can be determined.

(d) Holding for Administrative Hearings. – If alcoholic beverages used as evidence in a criminal proceeding are also needed as evidence at an administrative hearing, a judge shall not order any of the dispositions set out in subsection (c), but shall order the alcoholic beverages held for the administrative hearing and for a determination of final disposition by the Commission. The Commission may, before or after an administrative hearing, order any of the dispositions authorized under subsections (b) and (c). Subject to the restriction set forth in this subsection prohibiting sale or destruction without notice to the district attorney, if the Commission accepts an offer in compromise to resolve an ABC law violation, the Commission may order the applicable disposition set out in subdivision (2) or (3) of subsection (c) of this section. If no related criminal proceeding has commenced, the Commission shall not order sale or destruction of alcoholic beverages until notice has been given to the district attorney for the district where the alcoholic beverages were seized or any violation of ABC laws related to the seizure of the alcoholic beverages is likely to be prosecuted.

…."

SECTION 8.(b) This section is effective when it becomes law and applies to offers in compromise accepted on or after that date.

CLARIFY THAT WINE SHOP PERMITTEES MAY HOLD MALT BEVERAGE SHOP PERMITS AND THAT MALT BEVERAGE SHOP PERMITTEES MAY HOLD WINE SHOP PERMITS

SECTION 9. G.S. 18B-1001 reads as rewritten:

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

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

…

(16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt beverages, unfortified wine, and fortified wine in the manufacturer's original container for consumption off the premises, (ii) the retail sale of malt beverages or unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas in a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled, and (iii) wine tastings on the premises conducted and supervised by

the permittee in accordance with subdivision (15) of this section. It also authorizes the holder of the permit to ship malt beverages, unfortified wine, and fortified wine in closed containers to individual purchasers inside and outside the State. The permit may be issued for retail businesses whose primary purpose is selling malt beverages and wine for consumption off the premises and regularly and customarily educating consumers through tastings, classes, and seminars about the selection, serving, and storing of wine. The holder of the permit is authorized to sell unfortified wine for consumption on the premises, provided ~~that~~ that, except as otherwise provided in this subdivision, the sale of wine for consumption on the premises does not exceed forty percent (40%) of the establishment's total sales for any 30-day period. The holder of a wine-tasting permit not engaged in the preparation or sale of food on the premises is not subject to Part 6 of Article 8 of Chapter 130A of the General Statutes. A holder of a wine shop permit shall also be eligible to hold a malt beverage shop permit under G.S. 18B-1001(16a). If the holder of a wine shop permit also holds a malt beverage shop permit, then the sales of alcoholic beverages for consumption on the premises may not exceed forty percent (40%) of the establishment's total sales for any 30-day period.

(16a) Malt Beverage Shop Permit. – A malt beverage shop permit authorizes (i) the retail sale of malt beverages, unfortified wine, and fortified wine in the manufacturer's original container for consumption off the premises, (ii) the retail sale of malt beverages dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas in a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled, and (iii) malt beverage tastings on the premises conducted and supervised by the permittee in accordance with subdivision (18) of this section. It also authorizes the holder of the permit to ship malt beverages, unfortified wine, and fortified wine in closed containers to individual purchasers inside and outside the State. The permit may be issued for retail businesses whose primary purpose is selling malt beverages for consumption off the premises and regularly and customarily educating consumers through tastings, classes, and seminars about the selection, serving, and storing of malt beverages. The holder of the permit is authorized to sell malt beverages for consumption on the premises, provided ~~that~~ that, except as otherwise provided in this subdivision, the sale of malt beverages, combined, for consumption on the premises does not exceed forty percent (40%) of the establishment's total sales for any 30-day period. The holder of a malt beverage tasting permit not engaged in the preparation or sale of food on the premises is not subject to Part 6 of Article 8 of Chapter 130A of the General Statutes. A holder of a malt beverage shop permit shall also be eligible to hold a wine shop permit under G.S. 18B-1001(16). If the holder of a malt beverage shop permit also holds a wine shop permit, then the sales of alcoholic beverages for consumption on the premises may not exceed forty percent (40%) of the establishment's total sales for any 30-day period.

…."

CLARIFY ABC COMMISSION NOTICE TO PERMIT HOLDER

SECTION 10.(a) G.S. 18B-502(c) reads as rewritten:

"(c) Notice to Permit Holders. – If the Commission receives a report from ~~a law enforcement agency other than the Division of Alcohol Law Enforcement of the Department of~~

~~Public Safety or a local ABC officer~~ any law enforcement agency documenting violations of this Chapter or Chapter 14 of the General Statutes for conduct occurring on the premises of a permitted establishment, the Commission shall send notice of the alleged violation to the holder of the permit within five business days of receipt of the law enforcement agency report. The written notice shall identify the currently alleged violations and the involved employee. Nothing in this subsection shall prevent or limit the Commission from taking any additional action warranted by the circumstances of the violation."

SECTION 10.(b) This section is effective when it becomes law and applies to violations committed on or after that date.

PART III. OTHER ABC CHANGES

ESTABLISH SERVICE BUSINESS PERMIT

SECTION 11.(a) G.S. 18B-300(a1) reads as rewritten:

"(a1) Consumption on Premises During Time of Permit Revocation or Suspension. – It shall be unlawful to consume or for a permittee or ~~his~~ a permittee's agent or employee to allow the consumption of malt beverages or unfortified wine on the premises of any business during the period of time that any on-premises permit or service business permit issued to the business authorizing the sale ~~and~~ or consumption of malt beverages or unfortified wine has been suspended or revoked by the Commission. The prohibition in this subsection does not apply to the premises upon which the business was located at the time the permit was suspended or revoked if the business ceases to operate in that location and the owner of the property is not the permittee, provided that the permittee is not engaged in any other business or other activity on the premises during the period of suspension or revocation."

SECTION 11.(b) G.S. 18B-603 is amended by adding a new subsection to read:

"(i) Service Business Permits. – The Commission may only issue service business permits provided for in G.S. 18B-1001(26) to qualified persons and establishments located within a jurisdiction in which on-premises malt beverage permits or on-premises unfortified wine permits may be issued, subject to the following restrictions:

(1) If on-premises malt beverage permits, but not on-premises unfortified wine permits, may be issued in the jurisdiction, the service business permittee may furnish only malt beverages to customers.

(2) If on-premises unfortified wine permits, but not on-premises malt beverage permits, may be issued in the jurisdiction, the service business permittee may furnish only unfortified wine to customers.

(3) If on-premises malt beverage permits and on-premises unfortified wine permits may be issued in the jurisdiction, the service business permittee may furnish malt beverages and unfortified wine to customers."

SECTION 11.(c) G.S. 18B-902 reads as rewritten:

"**§ 18B-902. Application for permit; fees.**

…

(d) Fees. – An application for an ABC permit shall be accompanied by payment of the following application fee:

…

(57) Service business permit – $50.00.

…

(h) Recycling Plan Required. – Each applicant for an on-premises malt beverage permit, on-premises unfortified wine permit, service business permit, on-premises fortified wine permit, or a mixed beverages permit shall prepare and submit with the application a plan for the collection and recycling of all recyclable beverage containers of all beverages to be furnished or sold at retail on the premises. Each applicant for a mobile bar services permit shall prepare and submit

with the application a plan for the collection and recycling of all recyclable beverage containers of all beverages to be served at an event pursuant to the permit. A permittee who is not able to find a recycler for its beverage containers may apply to the Alcoholic Beverage Control Commission for a one-year stay of the requirement to implement a recycling program in compliance with G.S. 18B-1006.1. The application shall be made in a form specified by the Commission, shall detail the efforts made by the permittee to provide for the collection and recycling of beverage containers, and shall specify the impediments to implementation of a recycling plan. The Commission shall submit all such applications to the Division of Environmental Assistance and Outreach of the Department of Environmental Quality for review and certification. The Division of Environmental Assistance and Outreach shall investigate each application and prepare a summary of its investigation and shall submit the summary to the Commission along with a notation indicating certification or denial of the application. A permittee whose application for a stay is certified by the Division of Environmental Assistance and Outreach shall not be required to comply with the recycling requirement of the alcoholic beverage laws and regulations during the one-year stay period so certified."

SECTION 11.(d) G.S. 18B-903, as amended by Section 6 of this act, reads as rewritten:

"**§ 18B-903. Duration of permit; renewal and transfer.**

(a) Duration. – Once issued, ABC permits shall be valid for the following periods, unless earlier surrendered, suspended or revoked:

(1) On-premises and off-premises malt beverage, unfortified wine, and fortified wine permits; service business permits; culinary permits; and all permits listed in G.S. 18B-1100 shall remain valid indefinitely.

…

(b1) Registration. – Each person holding a malt beverage, fortified wine, ~~or unfortified wine permit~~ unfortified wine, or service business permit issued pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6) or G.S. 18B-902(d)(57) shall register by May 1 of each year on a form provided by the Commission, in order to provide information needed by the State in enforcing this Chapter and to support the costs of that enforcement. ~~The~~ For permits issued pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6), the registration required by this subsection shall be accompanied by an annual registration fee of four hundred dollars ($400.00) for each permit held. For permits issued pursuant to G.S. 18B-902(d)(57), the registration required by this subsection shall be accompanied by an annual registration fee of fifty dollars ($50.00) for each permit held. The fee shall be paid by May 1 of each year. A registration fee shall not be refundable. Failure to pay the annual registration fee shall result in revocation of the permit.

(b2) Recycling Plan Required. – Each person holding an on-premises malt beverage permit, on-premises unfortified wine permit, service business permit, on-premises fortified wine permit, or a mixed beverages permit shall submit, along with the annual registration or renewal application, either a current plan for the collection and recycling of all recyclable beverage containers of all beverages furnished or sold at retail on the premises, or an application for a waiver pursuant to G.S. 18B-902(h). Each person holding a mobile bar services permit shall submit, along with the annual renewal application, either a current plan for the collection and recycling of all recyclable beverage containers of all beverages to be served at an event pursuant to the permit, or an application for a waiver pursuant to G.S. 18B-902(h).

…."

SECTION 11.(e) G.S. 18B-1000 reads as rewritten:

"**§ 18B-1000. Definitions concerning establishments.**

The following requirements and definitions shall apply to this Chapter:

…

(7a) Service business. – An establishment that is primarily engaged in the business of providing services to the general public that require an occupational license issued by the State.

~~(7a)~~(7b) Sports and entertainment venue. – Stadiums, ballparks, and other similar facilities with a permanently constructed seating capacity of 3,000 or more which are not located on the campus of a school, college, or university.

…."

SECTION 11.(f) G.S. 18B-1001 is amended by adding a new subdivision to read:

"(26) Service Business Permit. – A service business permit authorizes the permittee to furnish complimentary malt beverages and unfortified wine to customers, in conjunction with the provision of the service, for consumption on the permittee's premises at no extra charge to the customers. The permittee may furnish alcoholic beverages to customers only in accordance with G.S. 18B-603(i). The permittee may not serve more than two servings of alcoholic beverages to any individual customer in any calendar day. For purposes of this subdivision, a serving of malt beverage is 16 fluid ounces and a serving of unfortified wine is 8 fluid ounces. Notwithstanding G.S. 18B-1006(h), the permittee may purchase malt beverages and unfortified wine only from a retailer. The permit may be issued to service businesses."

SECTION 11.(g) G.S. 18B-1006.1(a) reads as rewritten:

"(a) Holders of on-premises malt beverage permits, on-premises unfortified wine permits, service business permits, on-premises fortified wine permits, and mixed beverages permits shall separate, store, and provide for the collection for recycling of all recyclable beverage containers of all beverages furnished or sold at retail on the premises. A permittee has satisfied the requirements of this section if it implements a recycling program that meets the minimum standards of the model recycling program developed by the Commission pursuant to G.S. 130A-309.14(m). Failure to comply with the requirements of this section shall not be grounds for revocation of a permit. A conviction for violation of this section shall not constitute an alcoholic beverage offense within the meaning of G.S. 18B-900(a)(4)."

SECTION 11.(h) This section becomes effective September 1, 2026.

COUNTY MIXED BEVERAGE ELECTION AMENDMENT

SECTION 12.(a) G.S. 18B-600(b) reads as rewritten:

"(b) County Elections. – Any county may hold a malt beverage, unfortified wine, or ABC store election. A county may hold a mixed beverage election only if (i) the county already operates at least one county ABC store or a city located in the county operates at least one ABC store, or (ii) a county election on ABC stores is to be held at the same time as the mixed beverage election. Provided, if a county does not operate at least one ABC store, a mixed beverages permittee may purchase liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the permittee or any adjacent county."

SECTION 12.(b) This section is retroactively effective October 1, 2024, and applies to elections held on or after that date.

REVISE LAW GOVERNING DISPLAY OF SPIRITUOUS LIQUOR DISTILLED OR PRODUCED IN NORTH CAROLINA

SECTION 13. G.S. 18B-800(e) reads as rewritten:

"(e) Each ABC store shall display spirits which are distilled or produced in North Carolina in an area dedicated solely to North Carolina ~~products.~~products or otherwise in the store so long as the product is identified as a North Carolina product by a price tag or shelf tag."

INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE

SECTION 14.(a) G.S. 18B-101(4a) reads as rewritten:

"(4a) "Alcohol consumable" means any manufactured and packaged ice cream, whipped cream, ice pop, gum-based, or gelatin-based food product containing at least one-half of one percent (0.5%) alcohol by volume."

SECTION 14.(b) This section becomes effective December 1, 2026, and applies to offenses committed on or after that date.

PROVIDE MIXED BEVERAGES PERMITTEES WITH PRIOR NOTICE OF APPORTIONED PRODUCT LOTTERY

SECTION 15.(a) G.S. 18B-800 is amended by adding a new subsection to read:

"(c6) Prior Notice of Lottery. – At least 30 days prior to the date it plans to conduct a lottery or other random drawing to sell apportioned products to mixed beverage permittee customers of an ABC store, the local board conducting the lottery or other random drawing shall provide each mixed beverage permittee with written notice of the lottery or other random drawing by email or first-class mail. For purposes of this subsection, the term "apportioned products" means containers of spirituous liquor that are made available to local boards only by random drawings conducted by the Commission."

SECTION 15.(b) This section becomes effective October 1, 2026, and applies to lotteries or other random drawings to sell apportioned products held on or after that date.

CLARIFY WHEN SPECIAL ONE-TIME PERMITS ARE REQUIRED FOR NONPROFIT ORGANIZATIONS

SECTION 16. G.S. 18B-1002(a) reads as rewritten:

"(a) Kinds of Permits. – In addition to the other permits authorized by this Chapter, the Commission may issue permits for the following activities:

…

(2) A permit may be issued to a nonprofit organization to allow the retail sale of malt beverages, unfortified wine, fortified wine, or mixed beverages, or to allow brown-bagging, at a single fund-raising event of that organization. A permit for this purpose shall not be issued for the sale of any kind of alcoholic beverage in a jurisdiction where the sale of that alcoholic beverage is not lawful. A permit is not required under this subdivision for an event conducted by a nonprofit organization that meets any of the following:

a. The event is held on premises permitted under G.S. 18B-1001(1), 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6), or 18B-1001(10) and the wine, malt beverages, and spirituous liquor sold at the event are sold by the retail permittee from the retail permittee's inventory.

b. The event is held on a premises that does not hold a permit under this Chapter and the wine, malt beverages, and spirituous liquor sold or served at the event is provided by one of the following in a manner allowed under that permit:

1. A mobile bar services permittee pursuant to G.S. 18B-1001(12a).

2. A mixed beverage catering permittee pursuant to G.S. 18B-1001(12).

3. A malt beverage special event permittee pursuant to G.S. 18B-1114.5.

4. A winery special event permittee pursuant to G.S. 18B-1114.1.

5. A spirituous liquor special event permittee pursuant to G.S. 18B-1114.7.

…

(5) A permit may be issued to a unit of local government, or to a nonprofit organization or a political organization to serve wine, malt beverages, and spirituous liquor at ~~a ticketed~~ an event held to allow the unit of local government or organization to raise funds. A permit is not required under this subdivision for an event conducted by a unit of local government, a nonprofit organization, or a political organization that meets any of the following:

a. The event is held on premises permitted under G.S. 18B-1001(1), 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6), or 18B-1001(10) and the wine, malt beverages, and spirituous liquor sold at the event are sold by the retail permittee from the retail permittee's inventory.

b. The event is held on a premises that does not hold a permit under this Chapter and the wine, malt beverages, and spirituous liquor sold or served at the event is provided by one of the following in a manner allowed under that permit:

1. A mobile bar services permittee pursuant to G.S. 18B-1001(12a).
2. A mixed beverage catering permittee pursuant to G.S. 18B-1001(12).
3. A malt beverage special event permittee pursuant to G.S. 18B-1114.5.
4. A winery special event permittee pursuant to G.S. 18B-1114.1.
5. A spirituous liquor special event permittee pursuant to G.S. 18B-1114.7.

For purposes of this subdivision "nonprofit organization" means an organization that is exempt from taxation under Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(8), 501(c)(10), 501(c)(19), or 501(d) of the Internal Revenue Code or is exempt under similar provisions of the General Statutes as a bona fide nonprofit charitable, civic, religious, fraternal, patriotic, or veterans' organization or as a nonprofit volunteer fire department, or as a nonprofit volunteer rescue squad or a bona fide homeowners' or property owners' association. For purposes of this subdivision "political organization" means an organization covered by the provisions of G.S. 163-96(a)(1) or (2) or a campaign organization established by or for a person who is a candidate who has filed a notice of candidacy, paid the filing fees or filed the required petition, and been certified as a candidate. The issuance of this permit shall also allow the use for culinary purposes of spirituous liquor lawfully purchased for use in mixed beverages. The issuance of this permit shall also allow a nonprofit organization to offer alcoholic beverages in the manufacturer's original closed container as a prize in a raffle or sell alcoholic beverages in the manufacturer's original closed container at auction at the ~~ticketed~~ event to allow the nonprofit organization to raise funds.

…."

SPECIAL MULTIPLE EVENT PERMIT

SECTION 17.(a) Article 10 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"**§ 18B-1002.2. Special multiple event permit.**

(a) Definitions. – The following definitions apply to this section:

(1) Nonprofit organization. – An organization that is exempt from taxation under section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(8), 501(c)(10), 501(c)(19), or 501(d) of the Internal Revenue Code or is exempt under similar provisions of the General Statutes as a bona fide nonprofit charitable, civic, religious, fraternal, patriotic, or veterans' organization or as a nonprofit volunteer fire department, or as a nonprofit volunteer rescue squad or a bona fide homeowners' or property owners' association.

(2) Political organization. – An organization covered by the provisions of G.S. 163-96(a)(1) or (2) or a campaign organization established by or for a person who is a candidate who has filed a notice of candidacy, paid the filing fees or filed the required petition, and been certified as a candidate.

(b) Permit Authorized. – A special multiple event permit may be issued to an individual person representing a nonprofit organization or a political organization to allow the following at multiple fund-raising events of that organization:

(1) The retail sale of malt beverages, unfortified wine, fortified wine, and mixed beverages.

(2) Brown-bagging.

(3) The serving of malt beverages, unfortified wine, fortified wine, and mixed beverages at an event.

(4) Offering alcoholic beverages in the manufacturer's original closed container as a prize in a raffle at an event.

(5) Selling alcoholic beverages in the manufacturer's original closed container at auction at an event.

The permit holder must be present at any fund-raising event conducted pursuant to a special multiple event permit.

(c) Permit Holder Limitations. – Not more than two persons representing a single nonprofit organization or political organization may obtain permits pursuant to this section. No person may hold a special multiple event permit as a representative of more than one nonprofit organization or political organization.

(d) Notice of Events. – The holder of the permit shall provide written notice of a fund-raising event to the Commission and to the governing body of the city or county in which the fund-raising event will be located at least 30 days prior to the event. The notice shall include the date, time, and location of the event and the types of alcoholic beverages to be sold or served at the event. If the event is occurring on premises located partially or entirely within the boundaries of a social district and is scheduled to occur during hours when alcoholic beverages may be consumed in the social district, the holder of the permit shall include that information in the notice.

To be considered by the Commission, the local governing body must file any objection in writing with the Commission not less than 15 days prior to the event and must state the facts upon which the objection is based.

The Commission shall have the sole power, in its discretion, to determine suitability of the location at which the permit will be used to conduct a fund-raising event.

(e) Records. – The permit holder shall maintain for a period of at least one year a record of each fund-raising event conducted. The record shall include the date of the fund-raising event, the time of the fund-raising event, an identification of the venue at which the fund-raising event was held, and the types of alcoholic beverages sold or served at the event. The permit holder shall allow the Commission to inspect those records at any time.

(f) General Limitations. – A permit issued pursuant to this section shall not allow any of the following:

(1) The sale of any kind of alcoholic beverage in a jurisdiction where the sale of that alcoholic beverage is not lawful.

(2) The sale or consumption of alcoholic beverages outside the hours authorized in G.S. 18B-1004.

(g) A permit is not required under this section for an event conducted by a nonprofit organization or political organization that meets any of the following:

(1) The event is held on premises permitted under G.S. 18B-1001(1), 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6), or 18B-1001(10) and the wine, malt beverages, and spirituous liquor sold at the event are sold by the retail permittee from the retail permittee's inventory.

(2) The event is held on a premises that does not hold a permit under this Chapter and the wine, malt beverages, and spirituous liquor sold or served at the event is provided by one of the following in a manner allowed under that permit:

a. A mobile bar services permittee pursuant to G.S. 18B-1001(12a).

b. A mixed beverage catering permittee pursuant to G.S. 18B-1001(12).

c. A malt beverage special event permittee pursuant to G.S. 18B-1114.5.

d. A winery special event permittee pursuant to G.S. 18B-1114.1.

e. A spirituous liquor special event permittee pursuant to G.S. 18B-1114.7."

SECTION 17.(b) G.S. 18B-125 reads as rewritten:

"**§ 18B-125. Exceptions.**

This Article does not create a claim for relief against any of the following:

(1) One who holds only a brown bagging permit, a special occasions permit, or a limited special occasions ~~permit;~~permit.

(2) One who holds only a special one-time permit under ~~G.S. 18B-1002;~~G.S. 18B-1002.

(2a) One who holds only a special multiple event permit under G.S. 18B-1002.2.

(3) One who holds only permits listed in ~~G.S. 18B-1100;~~G.S. 18B-1100.

(4) One who holds any combination of the permits listed in this section."

SECTION 17.(c) G.S. 18B-300.1(j) reads as rewritten:

"(j) Interaction with Other Permits. – The Commission shall issue permits for special events occurring partially or entirely within the boundaries of a social district as follows:

(1) The Commission may issue special one-time permits pursuant to G.S. 18B-1002(a)(2) or (a)(5) for events occurring on premises located partially or entirely within the boundaries of a social district. If the event is scheduled to occur during hours when alcoholic beverages may be consumed in the social district, the event permittee shall, in addition to obtaining such signed law enforcement notification as may be required under the Commission's rules, include in such notification a statement that the event is to occur in a social district during days and hours designated for consumption of alcoholic beverages.

(2) A permittee holding a winery special event permit, malt beverage special event permit, or spirituous liquor special event permit pursuant to G.S. 18B-1114.1, 18B-1114.5, and 18B-1114.7, respectively, may sell and serve products at special events taking place in a social district.

(3) A permittee holding a mixed beverages catering permit pursuant to G.S. 18B-1001(12) may serve spirituous liquor to guests at events taking place in a social district.

(4) A permittee holding a special multiple event permit pursuant to G.S. 18B-1002.2 may hold an event in a social district."

SECTION 17.(d) G.S. 18B-603(f) reads as rewritten:

"(f) Permits Not Dependent on Elections. – The Commission may issue the following kinds of permits without approval at an election:

…

(11) Special multiple event permits issued under G.S. 18B-1002.2."

SECTION 17.(e) G.S. 18B-900(a) reads as rewritten:

"(a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must satisfy all of the following requirements:

…

(8) Be current in filing all applicable tax returns to the State and in payment of all taxes, interest, and penalties that are collectible under G.S. 105-241.22. This subdivision does not apply to the following ABC permits:

a. Special occasion permit under G.S. 18B-1001(8).

b. Limited special occasion permit under G.S. 18B-1001(9).

c. Special one-time permit under G.S. 18B-1002.

d. Salesman permit under G.S. 18B-1111.

e. Special multiple event permit under G.S. 18B-1002.2.

…."

SECTION 17.(f) G.S. 18B-901(b) reads as rewritten:

"(b) Notice to Local Government. – Before issuing a retail ABC ~~permit, other than a:~~

~~(1) Special occasion permit under G.S. 18B-1001(8);~~

~~(2) Limited special occasion permit under G.S. 18B-1001(9);~~

~~(3) Temporary permit under G.S. 18B-905; or~~

~~(4) Special one-time permit under G.S. 18B-1002~~

permit for an establishment, the Commission shall give notice of the permit application to the governing body of the city in which the establishment is located. If the establishment is not inside a city, the Commission shall give notice to the governing body of the county. The Commission shall allow the local governing body 15 days from the time the notice was mailed or delivered to file written objection to the issuance of the permit. To be considered by the Commission, the objection shall state the facts upon which it is based.

This subsection shall not apply to the following permits:

(1) A special occasion permit under G.S. 18B-1001(8).

(2) A limited special occasion permit under G.S. 18B-1001(9).

(3) A temporary permit under G.S. 18B-905.

(4) A special one-time permit under G.S. 18B-1002.

(5) A special multiple event permit under G.S. 18B-1002.2."

SECTION 17.(g) G.S. 18B-902(d) reads as rewritten:

"(d) Fees. – An application for an ABC permit shall be accompanied by payment of the following application fee:

…

(58) Special multiple event permit – $200.00."

REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT

SECTION 18.(a) G.S. 18B-905 reads as rewritten:

"**§ 18B-905. Temporary permits.**

When an application has been received in proper form, with the required application fee, the Commission may issue a temporary permit for any of the activities for which permits are authorized under G.S. 18B-1001 and 18B-1100. If the person has applied to the applicable local government for the Inspection/Zoning Compliance and Local Government Opinion forms required for the application but has not received approvals or denials from the local government, the applicant may submit a sworn affidavit with the application stating that the person has applied to the local government for the Inspection/Zoning Compliance and Local Government Opinion

approvals in lieu of those approvals. The person shall send the local government approvals or denials to the Commission within three business days of receiving the approvals or denials. A temporary permit may be revoked summarily by the Commission without complying with the provisions of Chapter 150B. Revocation of a temporary permit or withdrawal by the Commission of a pending application by a permittee possessing a temporary permit shall be effective upon service of the notice of revocation or withdrawal upon the permittee at either the permittee's residence or the address given for the business in the permit application or upon the expiration of five business days after the notice of the revocation or withdrawal has been mailed to the permittee at either the permittee's residence or the address given for the business in the permit application. No further notice shall be required."

SECTION 18.(b) This section becomes effective October 1, 2026, and applies to applications received on or after that date.

REVISE LAW REGULATING THE SALE AND DELIVERY OF MORE THAN ONE DRINK AT A TIME TO A SINGLE PATRON

SECTION 19.(a) G.S. 18B-1010(a) reads as rewritten:

"(a) Except as otherwise provided in this section, the holder of an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, or mixed beverages ~~permit issued under G.S. 18B-1001~~ permit, or a permittee otherwise authorized to sell malt beverages, unfortified wine, fortified wine, or mixed beverages for on-premises consumption, may sell and deliver not more than two alcoholic beverage drinks at one time to a single ~~patron with the following limitations:~~patron.

~~(1) Not more than two alcoholic beverage drinks at one time if the alcoholic beverage drinks are any of the following:~~

~~a. A malt beverage.~~

~~b. Unfortified wine.~~

~~c. Fortified wine.~~

~~(2) Not more than one alcoholic beverage at one time if an alcoholic beverage drink is a mixed beverage or contains spirituous liquor.~~"

SECTION 19.(b) G.S. 18B-1001(10) reads as rewritten:

"(10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail sale of mixed beverages for consumption on the premises. The permit also authorizes a mixed beverages permittee to obtain an antique spirituous liquor permit under subdivision (20) of this section and to use for culinary purposes spirituous liquor lawfully purchased for use in mixed beverages. The permit may be issued for any of the following:

a. Restaurants.

b. Hotels.

c. Private clubs.

d. Convention centers.

e. Community theatres.

f. Nonprofit organizations.

g. Political organizations.

h. Sports and entertainment venues.

i. Bars.

j. The holder of a distillery permit authorized under G.S. 18B-1105.

k. Breweries.

l. Wineries.

Additionally, a mixed beverages permit authorizes a permittee that is a restaurant, hotel, private club, bar, brewery, winery, or the holder of a distillery permit to sell at retail mixed beverages for consumption off the

premises, including delivery by the permittee or a delivery service permittee. A mixed beverage sold for consumption off the premises must be sold with food and shall be (i) a premixed cocktail in the manufacturer's original closed container, or (ii) packaged in a container with a secure lid or cap, and in a manner designed to prevent consumption without removal of the lid or cap. The container shall be no greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the transportation of a mixed beverage in a motor vehicle shall not be unlawful if the container is an unopened manufacturer's original container or is transported in a locked container, in the trunk, or in the area behind the last upright seat in a motor vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale of more than ~~one mixed beverage drink~~ two mixed beverage drinks at one time shall not be unlawful if the mixed beverage drinks are sold for delivery or consumption off the permittee's premises. No mixed beverage ordered for off-premises consumption shall be provided to any person other than the purchaser of the mixed beverage, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the mixed beverage to a person other than the purchaser if the permittee or the permittee's employees or agents verify that the person is over 21 years of age using age verification software requiring the recipient to provide a form of photographic identification authorized in G.S. 18B-302(d)(1)."

SECTION 19.(c) This section becomes effective October 1, 2026, and applies to alcoholic beverages sold on or after that date.

ALLOW THE SALE OF MULTIPLE ALCOHOLIC BEVERAGE DRINKS TO A SINGLE PATRON IN A VESSEL

SECTION 20.(a) G.S. 18B-1010 is amended by adding a new subsection to read:

"(c) The holder of an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, or mixed beverages permit, or a permittee otherwise authorized to sell malt beverages, unfortified wine, fortified wine, or mixed beverages for on-premises consumption, may sell and deliver up to six alcoholic beverage drinks at one time to a single patron for on-premises consumption if the alcoholic beverage drinks are in the manufacturer's original unopened container and delivered to the patron in a single vessel."

SECTION 20.(b) The Revisor of Statutes shall replace all references to "G.S. 18B-1010" with "G.S. 18B-1010(a)" in G.S. 18B-300.1(f), 18B-1001, and 18B-1001.5(g).

MODIFY REQUIREMENTS FOR TOURISM ABC ESTABLISHMENTS

SECTION 21. G.S. 18B-101(14a) reads as rewritten:

"(14a) "Tourism ABC establishment" means a restaurant or hotel that is in a county in which the on-premises or off-premises sale of malt beverages or unfortified wine is authorized in at least one city and that meets ~~both~~ either of the following requirements:

a. Is located on property, a property line of which is located within ~~1.5 miles~~ 2 miles of the end of an entrance or exit ramp of a junction on a national scenic parkway designed to attract local, State, national, and international tourists between the State line and Milepost 469, provided that the Eastern Band of Cherokee Indians tribal alcoholic beverage control commission established under G.S. 18B-112 shall have exclusive authority to issue permits pursuant to this subdivision between Milepost 460 and the southern terminus of the national scenic

byway at Milepost 469 for any restaurant or hotel that is located wholly on Indian Country lands.

b. Is located ~~in a county in which the on-premises or off-premises sale of malt beverages or unfortified wine is authorized in at least one city.~~on property, a property line of which is located within 3 miles of the State line, that is adjacent to a North Carolina scenic byway."

CLEANING OF DRAFT LINES

SECTION 22.(a) G.S. 18B-1116(a)(4) reads as rewritten:

"(4) Provide or offer to provide draft line cleaning services (i) to an alcoholic beverage retailer ~~unless the retailer pays the fair market value for such services.~~at a different cost per line than to another alcoholic beverage retailer or (ii) to some alcoholic beverage retailers but not others. Nothing in this subdivision shall require any manufacturer, bottler, or wholesaler of any alcoholic beverages, or any officer, director, or affiliate thereof, to provide or offer to provide draft line cleaning services."

SECTION 22.(b) G.S. 18B-1003 is amended by adding a new subsection to read:

"(e) Draft Line Cleaning. – Any permittee that provides draft alcoholic beverages shall ensure that draft lines are cleaned on a regular basis and shall maintain a record of each date of cleaning and the person or entity that performed the cleaning for at least 12 months."

SECTION 22.(c) This section becomes effective October 1, 2026.

ALLOW ABC COMMISSION TO REQUIRE REAL-TIME REPORTING

SECTION 23. G.S. 18B-205 reads as rewritten:

"**§ 18B-205. Accounts and reports required.**

(a) Accounts and Reports. – The Commission may require local boards to submit quarterly mixed beverage reports, quarterly and annual audits, monthly sales records, and any other reports or audits relating to the operations of the local ABC systems.

(b) Accounting System. – The Commission may require local boards to use generally accepted accounting standards and a chart of accounts prescribed by the Commission in the operation of ABC stores, and to record all information necessary and useful to the Commission in auditing the operation of ABC systems and administering the ABC law.

(c) Audits. – The Commission may audit the operation of any local ABC store or board, and the books of those stores and boards shall remain open to the Commission for inspection.

(d) Real-Time Reporting. – The Commission may require local boards to submit daily, weekly, and monthly sales data to a designated vendor in real time. A local board may satisfy this requirement by connecting or integrating the point-of-sale system used in its ABC stores with the designated vendor."

ALLOW CERTAIN ABC PERMITTEES TO PREPARE MIXED BEVERAGES FOR CONSUMER TASTINGS IN ABC STORES

SECTION 24. G.S. 18B-1114.7(c) reads as rewritten:

"(c) Additional Limitations on Tastings in ABC Stores. – Consumer tastings conducted in an ABC store shall have the following additional limitations:

…

(4) Notwithstanding subdivision (3) of subsection (b) of this section, the total amount of the tasting samples offered to and consumed by each consumer at a consumer tasting event shall not exceed one-half ounce of spirituous liquor in any calendar ~~day.~~day, including any spirituous liquor in mixed beverages offered for consumer tasting pursuant to subdivision (4a) of this subsection.

(4a) The permit holder conducting the event may prepare and offer for tasting mixed beverages containing the spirituous liquor offered for tasting at the ABC store. A mixed beverage offered for tasting pursuant to this subdivision shall contain no more than 0.25 ounces of spirituous liquor.

…."

MODIFY THE PROHIBITIONS ON ABC PERMITTEES EMPLOYING CERTAIN INDIVIDUALS

SECTION 25.(a) G.S. 18B-1003(c) reads as rewritten:

"(c) Certain Employees Prohibited. – A permittee shall not knowingly employ in the sale or distribution of alcoholic beverages any person who has been:

(1) Convicted of a felony within three years;

(2) Convicted of a felony more than three years previously and has not had ~~his~~ the person's citizenship restored;

(3) Convicted of an alcoholic beverage offense within two years; or

~~(4) Convicted of a misdemeanor controlled substances offense within two years;~~

(5) A past permit holder under Chapter 18B of the General Statutes whose permit had been revoked within the last 18 months and who had been the permit holder at the location where the person would be employed.

For purposes of this subsection, "conviction" has the same meaning as in G.S. 18B-900(b). To avoid undue hardship, the Commission may, in its discretion, exempt persons on a case-by-case basis from this subsection. If the Commission has notified a permittee of a potential violation of this subsection and the permittee claims undue hardship within 30 days of receipt of the notification, the permittee may continue to employ the person in question until the final determination of undue hardship."

SECTION 25.(b) The ABC Commission shall adopt rules to amend its rules consistent with this section.

SECTION 25.(c) This section is effective when it becomes law and applies to individuals employed by ABC permittees and undue hardship proceedings on or after that date.

ALLOW OFF-PREMISES WINE TASTINGS

SECTION 26. G.S. 18B-1001, as amended by Section 9 of this act, reads as rewritten:

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

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

…

(3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine permit authorizes (i) the retail sale of unfortified wine for consumption on the premises, either alone or mixed with other beverages, (ii) the retail sale of unfortified wine in the manufacturer's original container for consumption off the premises, ~~and~~ (iii) the retail sale of unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas into a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or ~~refilled.~~ refilled, and (iv) wine tastings conducted at a consumer's private residence or a location not holding a permit under this section where consumers are educated about selection, serving, and storing of wine by the permittee or the permittee's employee or agent utilizing wine from the permit holder's inventory and consumers may purchase wine for future delivery or pick-up at the permittee's permitted premises. The permit also

authorizes the permittee to transfer unfortified wine, not more than four times per calendar year, to another on-premises unfortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises unfortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship unfortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued for any of the following:

a. Restaurants.
b. Hotels.
c. Eating establishments.
d. Private clubs.
e. Convention centers.
f. Cooking schools.
g. Community theatres.
h. Wineries.
i. Wine producers.
j. Retail businesses.
k. Sports and entertainment venues.
l. Bars.
m. The holder of a distillery permit authorized under G.S. 18B-1105.
n. Breweries.

Additionally, an on-premises unfortified wine permit authorizes a permittee that is a restaurant, eating establishment, hotel, private club, bar, brewery, winery, or wine producer to sell at retail single-serving unfortified wine drinks for consumption off the premises, including delivery by the permittee or a delivery service permittee. Single-serving unfortified wine drinks sold for consumption off the premises must be sold with food and shall be packaged in a container with a secure lid or cap and in a manner designed to prevent consumption without removal of the lid or cap. The container shall be no greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the transportation of single-serving unfortified wine drinks in a motor vehicle shall not be unlawful if the container is an unopened manufacturer's original container or is transported in a locked container, in the trunk, or in the area behind the last upright seat in a motor vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale of more than two single-serving unfortified wine drinks at one time shall not be unlawful if the single-serving unfortified wine drinks are sold for delivery or consumption off the permittee's premises. No single-serving unfortified wine by the drink ordered for

off-premises consumption shall be provided to any person other than the purchaser of the single-serving unfortified wine drink, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the single-serving unfortified wine drink to a person other than the purchaser if the permittee or the permittee's employees or agents verify that the person is over 21 years of age using age verification software requiring the recipient to provide a form of photographic identification authorized in G.S. 18B-302(d)(1).

…

(16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt beverages, unfortified wine, and fortified wine in the manufacturer's original container for consumption off the premises, (ii) the retail sale of malt beverages or unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas in a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled, ~~and~~ (iii) wine tastings on the premises conducted and supervised by the permittee in accordance with subdivision (15) of this ~~section.~~ section, and (iv) wine tastings conducted at a consumer's private residence or a location not holding a permit under this section where consumers are educated about selection, serving, and storing of wine by the permittee or the permittee's employee or agent utilizing wine from the permit holder's inventory and consumers may purchase wine for future delivery or pick-up at the permittee's permitted premises. It also authorizes the holder of the permit to ship malt beverages, unfortified wine, and fortified wine in closed containers to individual purchasers inside and outside the State. The permit may be issued for retail businesses whose primary purpose is selling malt beverages and wine for consumption off the premises and regularly and customarily educating consumers through tastings, classes, and seminars about the selection, serving, and storing of wine. The holder of the permit is authorized to sell unfortified wine for consumption on the premises, provided that, except as otherwise provided in this subdivision, the sale of wine for consumption on the premises does not exceed forty percent (40%) of the establishment's total sales for any 30-day period. The holder of a wine-tasting permit not engaged in the preparation or sale of food on the premises is not subject to Part 6 of Article 8 of Chapter 130A of the General Statutes. A holder of a wine shop permit shall also be eligible to hold a malt beverage shop permit under G.S. 18B-1001(16a). If the holder of a wine shop permit also holds a malt beverage shop permit, then the sales of alcoholic beverages for consumption on the premises may not exceed forty percent (40%) of the establishment's total sales for any 30-day period.

…."

ON-PREMISES SALES AT WINERIES AND BREWERIES

SECTION 27.(a) G.S. 18B-1001, as amended by Section 26 of this act, reads as rewritten:

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

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

(1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit authorizes (i) the retail sale of malt beverages for consumption on the

premises, either alone or mixed with other beverages, (ii) the retail sale of malt beverages in the manufacturer's original container for consumption off the premises, and (iii) the retail sale of malt beverages in a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled. The permit also authorizes the permittee to transfer malt beverages, not more than four times per calendar year, to another on-premises malt beverage permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of malt beverages by on-premises malt beverage permittees, purchases of malt beverages by a retail permittee from another retail permittee for the purpose of resale, and sales of malt beverages by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of malt beverages may be transferred only if both the transferor and transferee are located within the territory designated between the brewery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. It also authorizes the holder of the permit to ship malt beverages in closed containers to individual purchasers inside and outside the State. The permit may be issued for any of the following:

a. Restaurants.
b. Hotels.
c. Eating establishments.
d. Food businesses.
e. Retail businesses.
f. Private clubs.
g. Convention centers.
h. Community theatres.
i. Breweries as authorized by subdivisions ~~(7)~~(7), (7b), and (8) of G.S. 18B-1104(a).
j. Sports and entertainment venues.
k. Bars.
l. The holder of a distillery permit authorized under G.S. 18B-1105.
m. Wineries as authorized by G.S. 18B-1101(5a) and G.S. 18B-1102(5a).

…

(3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine permit authorizes (i) the retail sale of unfortified wine for consumption on the premises, either alone or mixed with other beverages, (ii) the retail sale of unfortified wine in the manufacturer's original container for consumption off the premises, (iii) the retail sale of unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas into a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled, and (iv) wine tastings conducted at a consumer's private residence or a location not holding a permit under this section where consumers are educated about selection, serving, and storing of wine by the permittee or the permittee's employee or agent utilizing wine from the permit holder's inventory and consumers may purchase wine for future

delivery or pick-up at the permittee's permitted premises. The permit also authorizes the permittee to transfer unfortified wine, not more than four times per calendar year, to another on-premises unfortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises unfortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship unfortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued for any of the following:

a. Restaurants.
b. Hotels.
c. Eating establishments.
d. Private clubs.
e. Convention centers.
f. Cooking schools.
g. Community theatres.
h. Wineries.
i. Wine producers.
j. Retail businesses.
k. Sports and entertainment venues.
l. Bars.
m. The holder of a distillery permit authorized under G.S. 18B-1105.
n. ~~Breweries.~~Breweries as authorized by subdivisions (7) and (7c) of G.S. 18B-1104(a).

Additionally, an on-premises unfortified wine permit authorizes a permittee that is a restaurant, eating establishment, hotel, private club, bar, brewery, winery, or wine producer to sell at retail single-serving unfortified wine drinks for consumption off the premises, including delivery by the permittee or a delivery service permittee. Single-serving unfortified wine drinks sold for consumption off the premises must be sold with food and shall be packaged in a container with a secure lid or cap and in a manner designed to prevent consumption without removal of the lid or cap. The container shall be no greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the transportation of single-serving unfortified wine drinks in a motor vehicle shall not be unlawful if the container is an unopened manufacturer's original container or is transported in a locked container, in the trunk, or in the area behind the last upright seat in a motor vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale of more than two single-serving unfortified wine drinks at one time shall not be unlawful if the single-serving

unfortified wine drinks are sold for delivery or consumption off the permittee's premises. No single-serving unfortified wine by the drink ordered for off-premises consumption shall be provided to any person other than the purchaser of the single-serving unfortified wine drink, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the single-serving unfortified wine drink to a person other than the purchaser if the permittee or the permittee's employees or agents verify that the person is over 21 years of age using age verification software requiring the recipient to provide a form of photographic identification authorized in G.S. 18B-302(d)(1).

…."

SECTION 27.(b) G.S. 18B-1101 reads as rewritten:

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

The holder of an unfortified winery permit may:

…

(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;

(5a) Regardless of the results of any local malt beverage election, sell malt beverages for on-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001;

…."

SECTION 27.(c) G.S. 18B-1102 reads as rewritten:

"**§ 18B-1102. Authorization of fortified winery permit.**

The holder of a fortified winery permit may:

…

(5) Regardless of the results of any local wine election, sell the winery's wine for ~~on- or~~ on- or off-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001.

(5a) Regardless of the results of any local malt beverage election, sell malt beverages for on-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001.

…."

SECTION 27.(d) G.S. 18B-1104 reads as rewritten:

"**§ 18B-1104. Authorization of brewery permit.**

(a) Authorized Acts. – The holder of a brewery permit may:

…

(7) In an area where the sale of any type of alcoholic beverage is authorized by law, and upon receiving the appropriate permit under G.S. 18B-1001, sell at the brewery, and any additional retail location authorized under subdivision (8) of this subsection, any or all of the following:

a. The brewery's malt beverages that have been approved by the Commission for sale in North Carolina.

b. Malt beverages manufactured by the permittee in some other state that have been approved by the Commission for sale in North Carolina.

c. Any other alcoholic beverages approved by the Commission for sale in North Carolina, if sale of the alcoholic beverage is otherwise authorized in that area.

(7a) Repealed by Session Laws 2019-182, s. 21(a), effective October 1, 2019.

(7b) Regardless of the results of any local malt beverage election, sell the malt beverages owned by the brewery at the brewery for on- or off-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001.

(7c) Regardless of the results of any local unfortified wine election, sell unfortified wine for on-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001.

…."

ALLOW ABC PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR FROM DESIGNATED ABC STORES IN ADJACENT COUNTIES

SECTION 28.(a) G.S. 18B-404 reads as rewritten:

"**§ 18B-404. Additional provisions for purchase and transportation by mixed beverage permittees.**

…

(c) Designated Store. – A mixed beverage permittee may purchase spirituous liquor from ~~an~~ any ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the ~~permittee.~~permittee or any adjacent county.

(c1) Non-Solicitation. – A local board shall not solicit any mixed beverage permittee to purchase spirituous liquor except for permittees located within the board's jurisdiction.

…

(f) Delivery Service. – A local board shall ~~offer~~ make available delivery service to mixed beverage ~~permittees.~~ permittees operating in the same jurisdiction as the local board. A local board may provide delivery service to mixed beverage permittees operating in the same county in which the local board is located or any adjacent county. In providing delivery of purchased products to mixed beverage permittees, the local board may use its employees or contract with one or more independent contractors and may charge a fee to the permittee. A local board in a Tier 1 or Tier 2 county, as defined in G.S. 143B-472.35(a2)(18), may request an exemption to this requirement from the ABC Commission. The Commission shall grant the request if the local board can show evidence of unreasonable hardship or difficulty incurred by implementing delivery service."

SECTION 28.(b) G.S. 18B-600 reads as rewritten:

"**§ 18B-600. Places eligible to hold alcoholic beverage elections.**

…

(e) City Mixed Beverage Elections. – A city may hold a mixed beverage election if the city has at least 500 registered voters. Provided, that if a city that qualifies for an election under this subsection approves the sale of mixed beverages, a mixed beverages permittee in the city may purchase liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the ~~permittee.~~permittee or any adjacent county.

(e1) Small City Mixed Beverage Elections. – A city may also hold a mixed beverage election if the city has at least 200 registered voters and is located in a county with at least one other city that has approved the sale of mixed beverages. Provided, that if a city that qualifies for an election under this subsection approves the sale of mixed beverages, a mixed beverages permittee in the smaller city may purchase liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the ~~permittee.~~permittee or any adjacent county.

…

(e4) Multicounty/City ABC Elections. – If a city is located in two or more counties, the following provisions shall apply:

…

(3) If an election is held by a city under this subsection, all of the city voters may vote in the election. If the vote is for approval, alcoholic beverages may be sold on the basis of that approval and under the provisions of this Chapter. If the sale of mixed beverages is approved, a mixed beverage permittee may purchase liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the ~~permittee.~~ permittee or any adjacent county. The remaining gross receipts shall be distributed in accordance with existing law applicable to those ABC stores, except that after the applicable distributions have been made pursuant to G.S. 18B-805(b), (c), and (d), the local share of the mixed beverages surcharge and the guest room cabinet surcharge required by G.S. 18B-804(b)(8) and (9) shall be distributed one-half to the general fund of the city where the mixed beverage permittees are located and one-half to the local ABC boards from whose stores liquor is purchased.

(e5) Small Resort Town ABC Elections. – A town may hold a mixed beverage election if it:

(1) Was incorporated after 1990 and prior to the effective date of this subsection;
(2) Has at least 100 residents;
(3) Is located in a county that borders another state and that has two other municipalities which have ABC stores; and
(4) At the time of the election, has corporate boundaries that border or include land in three counties.

Provided, that if a town that qualifies for an election under this subsection approves the sale of mixed beverages, a mixed beverages permittee in the town may purchase liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the ~~permittee.~~permittee or any adjacent county.

…."

SECTION 28.(c) G.S. 18B-603(h) reads as rewritten:

"(h) Permits Based on Existing Permits. – In any county which borders on the Atlantic Ocean and where (i) the sale of malt beverage on and off premises, the sale of unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC system has been allowed in at least six cities in the county, or in any county adjacent to that county in which an ABC system has been allowed, or (ii) the sale of malt beverage on and off premises, the sale of unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC system has been allowed in at least eight cities in the county, the Commission may issue permits to sports clubs as defined in G.S. 18B-1000(8) throughout the county.

The Commission may issue the following permits:

(1) On and Off Premises Malt Beverage;
(2) On and Off Premises Unfortified Wine;
(3) On and Off Premises Fortified Wine; or
(4) Mixed Beverages.

The Commission may also issue on-premises malt beverage, unfortified wine, fortified wine and mixed beverages permits to a sports club located in a county adjacent to any county that has approved the sale of mixed beverages pursuant to G.S. 18B-603(d1), if the county in which the sports club is located borders another state and has at least one city that has approved the sale of mixed beverages. Sports clubs holding mixed beverages permits shall purchase their spirituous liquor at ~~the nearest~~ any ABC system store that is located in the ~~county.~~county or an adjacent county.

The Commission may further issue on-premises malt beverage and on-premises unfortified wine permits to a sports club located in a county bordering on another state that is adjacent to any county in which permits were issued pursuant to this subsection prior to August 1, 1993. The

sports clubs must be located in the unincorporated areas of a county, in which the sale of malt beverages and unfortified wine is not permitted, and where there are six or more municipalities in that county where the sale of malt beverages and unfortified wine is permitted."

SECTION 28.(d) G.S. 18B-701(a) reads as rewritten:

"(a) Powers. – A local board shall have authority to do all of the following:

(1) Buy, sell, transport, and possess alcoholic beverages as necessary for the operation of its ABC stores. In providing delivery of spirituous liquor to a mixed beverages permittee, ~~as required by~~ in accordance with G.S. 18B-404(f), the local board may use its employees or contract with one or more independent contractors and may charge a fee to the permittee. A mixed beverage permittee may contract with an independent contractor to provide delivery of spirituous liquor from an ABC board's store or warehouse to the permittee's premises.

…."

SECTION 28.(e) G.S. 18B-1001(12a), as amended by Section 7 of this act, reads as rewritten:

"(12a) Mobile Bar Services Permit. –

a. A mobile bar services permit may be issued to a business that provides bartending services for events. The permit authorizes the permittee to bring malt beverages, unfortified wine, fortified wine, and spirituous liquor onto the premises of a business that is not an ABC permittee and to serve the alcoholic beverages to guests at the event. Except as provided in sub-subdivision b. of this subdivision, the permittee may purchase malt beverages and unfortified wine only from a retailer. The permittee may purchase fortified wine and spirituous liquor only from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county where the permittee's principal office is ~~located.~~ located or in any county adjacent to the county where the permittee's principal office is located. If the permittee's premises for storage of inventory is a residential address, the permittee may designate an area of the premises to be used for storage of inventory pursuant to the permit. An inspection of the premises pursuant to G.S. 18B-502 shall extend only to the area that the permittee has designated for storage of inventory unless the law enforcement officer conducting the inspection has (i) a warrant to search the residence, or (ii) probable cause to search the residence and exigent circumstances exist.

b. The holder of a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a) may also hold a mobile bar services permit at the same permitted premises. Notwithstanding sub-subdivision a. of this subdivision, a permittee who holds both a mobile bar services permit and a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a) may not obtain or serve alcoholic beverages that the permittee is not allowed to sell under the permit or permits that the permittee holds that are issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a). The permittee shall only use as inventory for the mobile bar services permit the permittee's inventory of alcoholic beverages lawfully purchased from a wholesaler pursuant to the permit or permits that the permittee holds under G.S. 18B-1001(1), (3), (5), (16), or (16a). The mobile bar services permit shall authorize such a permittee to bring those alcoholic beverages onto the premises of a business that is not

an ABC permittee and serve the alcoholic beverages to guests at the event. Alcoholic beverages that are taken from the permittee's inventory to an event at another premises under a mobile bar services permit may be restored to inventory after the event if the alcoholic beverages are still in the manufacturer's original unopened container.

c. A mobile bar services permittee may not serve alcoholic beverages pursuant to a mobile bar services permit on the premises of any location owned or possessed by the permittee. The permittee shall notify the Commission, in writing, of the location of any event where the permittee will serve alcoholic beverages not less than one week before the event and shall have the permission of the owner or possessor of the property on which the event is to be held. Any person serving alcoholic beverages at the event shall be at least 21 years of age. Alcoholic beverages may be transported by the mobile bar services permit holder to the premises of the event no earlier than 8:00 A.M. on the day of the event. At the conclusion of the event, all alcoholic beverages must be removed from the premises no later than 12:00 noon of the following day. A limited special occasion permit shall not be required for an event at which alcoholic beverages are exclusively provided by the holder of a mobile bar services permit. The holder of a mobile bar services permit may bring alcoholic beverages onto the premises and serve the alcoholic beverages at an event regardless of whether there is a charge or fee for guests to attend the event. This permit does not allow the retail sale of individual alcoholic beverages to guests at an event."

SECTION 28.(f) G.S. 18B-1007(a) reads as rewritten:

"(a) Purchases. – A mixed beverages permittee may purchase spirituous liquor for resale as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale from a guest room cabinet only at an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the ~~permittee.~~permittee or any adjacent county."

SECTION 28.(g) This section is effective when it becomes law and applies to spirituous liquor purchased on or after that date.

ALLOW IN-STAND SALES AT CONCERTS

SECTION 29. G.S. 18B-1009 reads as rewritten:

"**§ 18B-1009. In-stand sales.**

(a) Nothing in this Chapter shall be construed to prohibit a retail permittee from selling for consumption, malt beverages in the seating areas of stadiums, ballparks, theaters, amphitheaters, and other similar public places with a seating capacity of 3,000 or more during concerts or professional sporting events, provided that:

(1) The seating areas are designated as part of the retail permittee's licensed premises;

(2) The retail permittee has notified the Commission, in writing, of its intent to sell malt beverages in the seating areas at concerts or sporting events;

(3) Service of food and nonalcoholic beverages is available in the seating areas;

(4) The retail permittee has certified to the Commission that it has trained its employees:

a. To identify underage persons and intoxicated persons; and

b. To refuse to sell malt beverages to those persons as required by G.S. 18B-305; and

(5) The employees do not verbally shout or hawk the sale of malt beverages.

(b) The North Carolina Alcoholic Beverage Control Commission shall adopt rules for the suspension of alcohol sales in the latter portion of concerts or professional sporting events in order to protect public safety at these events."

CREATE AUCTION HOUSE PERMIT

SECTION 30.(a) G.S. 18B-101 reads as rewritten:

"**§ 18B-101. Definitions.**

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

…

(5a) "Antique spirituous liquor" means spirituous liquor that has not been in production or bottled in the last ~~20 years,~~ 10 years or has not been in inventory in the State warehouse in the last 10 years, is in the original manufacturer's unopened container, is not owned by a distillery, and is not otherwise available for purchase by an ABC Board except through the special order process pursuant to G.S. 18B-1001(20).

…

(6a) "Decorative decanter" means a manufacturer's original sealed decanter of spirituous liquor, limited in quantities as a specialized limited run, a limited edition, or with historical significance with the manufacturer's distillery markings and labeling.

~~(6a)~~(6b) "Finance officer" means the local board employee, other than a general manager, who is responsible for keeping the accounts of the local board, receiving and depositing receipts, disbursing funds, and any other duties assigned by the local board or Commission.

…."

SECTION 30.(b) G.S. 18B-902(d) reads as rewritten:

"(d) Fees. – An application for an ABC permit shall be accompanied by payment of the following application fee:

…

~~(45) Special auction permit - $750.00.~~

…

(59) Auction house permit – $1,000."

SECTION 30.(c) G.S. 18B-1002.1 is repealed.

SECTION 30.(d) Article 10 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"**§ 18B-1002.3. Auction house permit.**

An auction house permit may be issued upon application to an auction firm or auctioneer licensed by the North Carolina Auctioneers Commission pursuant to Chapter 85B of the General Statutes to allow the licensed auction firm or auctioneer to sell at auction items described in G.S. 18B-1002(a)(4) on the permittee's premises. An auction held under this section may receive competing bids that are in person or by telephone, fax, or online. The permittee shall store any auction items described in G.S. 18B-1002(a)(4) on the permittee's premises or at a secondary location in this State that is disclosed in the permit application."

SECTION 30.(e) G.S. 18B-603(f), as amended by Section 17(d) of this act, reads as rewritten:

"(f) Permits Not Dependent on Elections. – The Commission may issue the following kinds of permits without approval at an election:

(1) Special occasion permits.

(2) Limited special occasion permits.

(3) Brown-bagging permits for private clubs and congressionally chartered veterans organizations.
(4) Culinary permits, except as restricted by subdivision (d)(5).
(5) Special one-time permits issued under G.S. 18B-1002.
(6) All permits listed in G.S. 18B-1100.
(7) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism ABC establishments.
(8) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism resorts.
(9) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for historic ABC establishments.
~~(10) Special auction permits issued under G.S. 18B-1002.1.~~
(11) Special multiple event permits issued under G.S. 18B-1002.2.
(12) Auction house permits issued under G.S. 18B-1002.3."

PART IV. STATE GOVERNMENT AND LOCAL BOARD ORGANIZATIONAL CHANGES

ADD TWO MEMBERS TO THE ABC COMMISSION

SECTION 32.(a) G.S. 18B-200 reads as rewritten:

"**§ 18B-200. North Carolina Alcoholic Beverage Control Commission.**

(a) Creation of Commission; compensation. – The North Carolina Alcoholic Beverage Control Commission is created to consist of a chairman and ~~two~~ four associate members. The Commission shall be administratively located within the Department of Public Safety but shall exercise its powers independently of the Secretary of Public Safety. The chairman shall devote his or her full time to his or her official duties and receive a salary fixed by the General Assembly in the Current Operations Appropriations Act. The associate members shall be compensated for per diem, subsistence and travel as provided in Chapter 138 of the General Statutes.

(b) Appointment of Members. – ~~Members~~ The chairman of the Commission and two associate members shall be appointed by the Governor to serve at ~~his pleasure.~~the pleasure of the Governor. One associate member shall be appointed by the President Pro Tempore of the Senate to serve at the pleasure of the President Pro Tempore and one associate member shall be appointed by the Speaker of the House of Representatives to serve at the pleasure of the Speaker.

(c) Vacancy. – The ~~Governor~~ appointing authority shall fill any vacancy on the Commission by appointing a successor to serve at ~~the Governor's pleasure.~~ the pleasure of the appointing authority. If the chairman's seat becomes vacant, the Governor may designate either the new member or an existing member of the Commission as the chairman.

(d) Employees. – The Commission may authorize the chairman to employ, discharge, and otherwise supervise subordinate personnel of the Commission. The Commission shall appoint at least one employee to make investigations, hold hearings requested under G.S. 18B-1205, and represent the Commission in contested case hearings or perform any other duties authorized by Chapter 150B."

SECTION 32.(b) This section becomes effective December 1, 2026.

ALLOW ABC COMMISSION TO CONDUCT CONTESTED CASES UNDER ARTICLE 3A OF THE ADMINISTRATIVE PROCEDURE ACT

SECTION 33.(a) G.S. 150B-38(a) reads as rewritten:

"(a) The provisions of this Article shall apply to:
(1) Occupational licensing agencies.
(2) The State Banking Commission, the Commissioner of Banks, and the Credit Union Division of the Department of Commerce.

(3) The Department of Insurance and the Commissioner of Insurance.
(4) The State Chief Information Officer in the administration of the provisions of Article 15 of Chapter 143B of the General Statutes.
(5) The North Carolina State Building Code Council and Residential Code Council, Article 9 of Chapter 143 of the General Statutes.
(5a) The Office of the State Fire Marshal and the State Fire Marshal.
(6) Repealed by Session Laws 2018-146, s. 4.4(b), effective December 27, 2018.
(7) The North Carolina Alcoholic Beverage Control Commission."

SECTION 33.(b) This section becomes effective October 1, 2026, and applies to contested cases filed on or after that date.

PROHIBIT PRESENT MEMBERS OF CITY GOVERNING BODIES AND BOARDS OF COUNTY COMMISSIONERS FROM BEING APPOINTED TO SERVE ON LOCAL ABC BOARDS

SECTION 34.(a) G.S. 18B-700(d) reads as rewritten:

"(d) Qualifications. – The appointing authority shall appoint members of a local board on the basis of the appointees' interest in public affairs, good judgment, knowledge, ability, and good moral character. Notwithstanding any other provision in this Article, no appointing authority shall appoint any present member of a city governing body or board of county commissioners to serve as a member on any local board."

SECTION 34.(b) This section is effective when it becomes law and applies to appointments made on or after that date. A person who is a member of a city governing body or board of county commissioners who is a member of a local board on the effective date of this section may serve the remainder of the person's term as a member of the local board.

AMEND DISTRIBUTION OF LOCAL BOARD REVENUES FOR THE CITY OF SANFORD

SECTION 35. S.L. 1961-105, as amended by S.L. 1961-888, reads as rewritten:

"…

"Sec. 4. If a majority of the votes cast in such election shall be for the legal sale of beer and/or wine, then the Board of Aldermen of the City of Sanford shall issue license to sell beer and/or wine as defined in ~~General Statutes 18-64 as provided in Chapter 18~~ Chapter 18B of the General Statutes notwithstanding any Public, Special, Local or Private Act to the contrary whether passed before or after the ratification of this Act; provided, however, in no event shall a license be issued to any person, firm or corporation to sell beer and/or wine for "on premises" consumption anywhere in the City of Sanford. Notwithstanding any other provisions of this Act, it shall be unlawful to sell any beer or wine in the City of Sanford when such beer or wine has been refrigerated to a temperature less than the general temperature of the establishment wherein the sale is made, and any sale of refrigerated beer or wine shall be unlawful. Notwithstanding any other provisions of this Act, it shall be unlawful to sell beer in individual containers containing less than one gallon, except when six containers are sold at the same time to the same person: Provided, that more than six containers may be sold to the same person at the same time when the number of containers is some multiple of six.

A violation of either of the foregoing shall constitute a general misdemeanor punishable in the discretion of the court and a conviction or plea of nolo contendere to said charge shall operate to permanently revoke the license of the violator.

…

"Sec. 8. The City Board of Alcoholic Beverage Control shall have all the powers and duties prescribed for ~~County Boards of Alcoholic Control by G. S. 18-45 and shall be subject to the powers and authority of the State Board of Alcoholic Control to the same extent as are County Boards of Alcoholic Control set forth in G. S. 18-39.~~ local boards set forth in G.S. 18B-701. The

City of Sanford Board of Alcoholic Control and the operation of Municipal Alcoholic Beverage Control Stores authorized under the provisions of this Act shall be subject to the provisions of ~~Article 3 of Chapter 18~~ Articles 7 and 8 of Chapter 18B of the General Statutes except to the extent that such provisions may be in conflict with this Act. Wherever the word "County" Board of Alcoholic Control appears in said Article it shall apply to and include the City of Sanford Board of Alcoholic Control. The City of Sanford Board of Alcoholic Control shall have authority to employ legal counsel and such other employees as it may deem necessary and fix their compensation. The per diem and subsistence allowance for the City of Sanford Board of Alcoholic Control shall be fixed by the Board of Aldermen of the City of Sanford.

The City of Sanford Board of Alcoholic Beverage Control may appoint one of its members, or any other person, as Supervisor of the system and pay such appointee an annual salary not to exceed six thousand dollars ($6,000.00), which shall, in the case of a board member, be in lieu of all other compensation for services rendered; provided, no person shall serve as Supervisor and Chairman. Designation or appointment by the board of one of its members as Supervisor shall not remove said member from the board, but if such appointment shall vacate the office of Chairman, the Board of Aldermen of the City of Sanford shall designate another board member to serve as Chairman.

The designation of particular persons for particular terms by the Board of Aldermen of the City of Sanford heretofore made is ratified and confirmed.

"Sec. 9. ~~Out of the gross profits derived from the operation of said Alcoholic Beverage Control Stores and after the payment of all costs and operating expenses, and after obtaining sufficient and proper working capital, the amount thereof to be determined by the City of Sanford Board of Alcoholic Beverage Control, said Board shall expend an amount for law enforcement purposes of not less than five per cent (5%) nor more than ten per cent (10%) thereof to be determined by quarterly audits, which amount shall supplement and not supplant the amount usually budgeted for such purposes by the City of Sanford.~~

Before making any other distribution, the City of Sanford Board of Alcoholic Control shall pay, from its gross proceeds, all costs and expenses incurred for education and law enforcement purposes required by G.S. 18B-805(b) and (c).

The Board may contract with any law enforcement agency located within the jurisdiction of Lee County for the provision of law enforcement services related to the enforcement of the alcoholic beverage laws of this State within the Board's jurisdiction. Any contract entered into pursuant to this section shall be approved by the Board and shall set forth the scope of services, compensation, and terms of engagement.

~~In the expenditure of said funds, the City Board of Alcoholic Control shall~~ The Board may also employ one or more persons as law enforcement ~~officer or~~ officers to be appointed by and directly responsible to the said Board. The person or persons so appointed shall, after taking the oath prescribed by law for peace officers, have the same powers and authorities within Lee County as other peace officers. Any such person or persons so appointed, or any other peace officer while in hot pursuit of anyone found to be violating the ~~prohibition~~ alcohol laws of this State, shall have the right to go into any other county of the State and arrest such defendant therein so long as such hot pursuit of such person shall continue, and the common law of hot pursuit shall be applicable to said offenses and such officer or officers. Any law enforcement officer appointed by the said Board of Alcoholic Control and any other peace officer is hereby authorized, upon request of the sheriff or other lawful officer in any other county, to go into such other county and assist in suppressing a violation of the ~~prohibition~~ alcohol laws therein, and while so acting shall have such powers as a peace officer as are granted to him in Lee County and be entitled to all the protection provided for said officer while acting in his own County.

~~Out of the net profits derived from the operation of said Alcoholic Beverage Control Stores, the City of Sanford Board of Alcoholic Beverage Control shall on a quarterly basis pay over equal amounts to the general fund of the City of Sanford and to the general fund of Lee County.~~

The Board shall at all times maintain a sustainable operating budget. The Board's unencumbered operating reserve shall not fall below fifteen percent (15%) of the Board's total annual operating budget. In any quarter in which a distribution of this section would cause the Board's operating reserve to fall below the minimum required by this section, the Board shall first retain from net proceeds an amount sufficient to restore the operating reserve to the required minimum before making any other distributions.

After paying all costs, operating expenses, and education and enforcement expenditures, and satisfying the operating reserve requirement, the Board shall distribute the remaining net proceeds on a quarterly basis as follows: (i) thirty percent (30%) to the general fund of Lee County; (ii) thirty percent (30%) to the general fund of the City of Sanford; and (iii) forty percent (40%) to be retained by the Board for day-to-day operating expenses, capital needs, and other lawful purposes of the Board.

Any amounts which may be due the City of Sanford by way of distribution from taxes collected by the State of North Carolina by reason of the sales of wine or beer sold under the terms of this Act, instead of being paid entirely to the City of Sanford, shall be distributed as follows: One-half to the general fund of the City of Sanford and one-half to the general fund of Lee County.

…."

PART V. RAFFLES

REVISE LAW GOVERNING RAFFLES

SECTION 37.(a) G.S. 14-309.15 reads as rewritten:

"**§ 14-309.15. Raffles.**

(a) It is lawful for any nonprofit organization, candidate, political committee, or any government entity within the State, to conduct raffles in accordance with this section. Each regional or county chapter of a nonprofit organization is eligible to conduct raffles in accordance with this section independently of its parent organization. Any person who conducts a raffle in violation of any provision of this section is guilty of a Class 2 misdemeanor. Upon conviction that person shall not conduct a raffle for a period of one year. It is lawful to participate in a raffle conducted pursuant to this section. It is not a violation of State law to advertise a raffle conducted in accordance with this section. A raffle conducted pursuant to this section is not "gambling." ~~For the purpose of this section, "candidate" and "political committee" have the meaning provided by Article 22A of Chapter 163 of the General Statutes, who have filed organization reports under that Article, and who are in good standing with the appropriate board of elections.~~ Receipts and expenditures of a raffle by a candidate or political committee shall be reported in accordance with Article 22A of Chapter 163 of the General Statutes, and ticket purchases are contributions within the meaning of that Article.

(b) ~~For purposes of this section "raffle" means a~~ The following definitions apply in this section:

(1) 50/50 raffle. – A raffle conducted by a nonprofit organization or any government entity within the State whereby funds collected by sale of raffle tickets are split evenly between the prize winner or winners and the nonprofit organization or government entity after the raffle drawing.

(2) Candidate. – As defined in Article 22A of Chapter 163 of the General Statutes. This term only includes candidates who have filed organization reports under that Article and who are in good standing with the appropriate board of elections.

(3) Net proceeds of a raffle. – The receipts less the cost of prizes awarded.

(4) Political committee. – As defined in Article 22A of Chapter 163 of the General Statutes. This term only includes political committees that have filed

organization reports under that Article and that are in good standing with the appropriate board of elections.

(5) Raffle. – A game in which the prize is won by random drawing of the name or number of one or more persons purchasing chances.

(c) A nonprofit organization may hold no more than five raffles per year.

(d) Except as provided in subsection (g) of this section, the maximum cash prize that may be offered or paid for any one raffle is one hundred twenty-five thousand dollars ($125,000) and if merchandise is used as a prize, and it is not redeemable for cash, the maximum fair market value of that prize may be one hundred twenty-five thousand dollars ($125,000). The total cash prizes offered or paid by any nonprofit organization shall not exceed two hundred fifty thousand dollars ($250,000) in any calendar year. The total fair market value of all prizes offered by any nonprofit organization, either in cash or in merchandise that is not redeemable for cash, shall not exceed two hundred fifty thousand dollars ($250,000) in any calendar year.

(e) Raffles shall not be conducted in conjunction with bingo.

(f) ~~As used in this subsection, "net proceeds of a raffle" means the receipts less the cost of prizes awarded.~~ No less than ninety percent (90%) of the net proceeds of a raffle shall be used by the nonprofit organization for charitable, religious, educational, civic, or other nonprofit purposes. None of the net proceeds of the raffle shall be used to pay any person to conduct the raffle, or to rent a building where the tickets are received or sold or the drawing is conducted.

(g) Real property may be offered as a prize in a raffle. Any nonprofit organization offering real property as a prize in a raffle shall provide the property free from all liens, provide an owner affidavit and indemnity agreement, and provide a title commitment for the property and shall make that commitment available for inspection upon request. The total appraised value of all real estate prizes offered by any nonprofit organization shall not exceed two million two hundred fifty thousand dollars ($2,250,000) in any calendar year.

(h) Notwithstanding any other subsection of this section, it is lawful for a federally insured depository institution to conduct a savings promotion raffle under G.S. 53C-6-20, 54-109.64, 54B-140, or 54C-180.

(i) The restrictions set forth in subsections (c) through (g) of this section do not apply to 50/50 raffles conducted by nonprofit organizations or government entities within the State."

SECTION 37.(b) This section becomes effective December 1, 2026, and applies to offenses committed on or after that date.

PART VI. SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 38.(a) If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application and, to this end, the provisions of this act are declared to be severable.

SECTION 38.(b) Except as otherwise provided, this act is effective when it becomes law.