

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H

2

HOUSE BILL 921
Committee Substitute Favorable 5/19/26

Short Title: ABC & Gaming Omnibus Bill.

(Public)

Sponsors:

Referred to:

April 14, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE ALCOHOL LAWS OF THIS STATE,
3 TO REVISE THE LAW GOVERNING GAME NIGHTS, AND TO REMOVE THE
4 LIMITATIONS ON RAFFLES FOR 50/50 RAFFLES CONDUCTED BY NONPROFIT
5 ORGANIZATIONS OR GOVERNMENT ENTITIES.

6 The General Assembly of North Carolina enacts:

7
8 **REVISE LAW GOVERNING DISPLAY OF SPIRITUOUS LIQUOR DISTILLED OR**
9 **PRODUCED IN NORTH CAROLINA**

10 **SECTION 1.** G.S. 18B-800(e) reads as rewritten:

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

14
15 **MODIFY MOBILE BAR SERVICES PERMIT**

16 **SECTION 2.** G.S. 18B-1001(12a) reads as rewritten:

17 "(12a) Mobile Bar Services Permit. – A mobile bar services permit may be issued to
18 a business that provides bartending services for events. The permit authorizes
19 the permittee to (i) bring malt beverages, unfortified wine, fortified wine, and
20 spirituous liquor onto the premises of a business that is not an ABC permittee
21 and to serve the alcoholic beverages to guests at the ~~event~~event and (ii) serve
22 alcoholic beverages to guests at an event occurring on premises owned or
23 possessed by the holder of the permit. The permittee may purchase malt
24 beverages and unfortified wine ~~from either a retailer or a wholesaler. only~~
25 from a retailer. The permittee may purchase fortified wine and spirituous
26 liquor only from ~~either an ABC store or a wholesaler. The~~an ABC store. If
27 the permittee serves spirituous liquor, it shall ~~purchase only~~ be spirituous
28 liquor purchased from an ABC store that is designated as a mixed beverage
29 ABC store operated by any local board operating in the same county where
30 the permittee's principal office is located. The permittee may ~~not store and~~
31 serve alcoholic beverages pursuant to a mobile bar services permit on the
32 premises of any location owned or possessed by the permittee. The permittee
33 shall notify the Commission, in writing, of the location of any event where the
34 permittee will serve alcoholic beverages not less than one week before the
35 ~~event and~~event. If an event takes place on premises not owned or possessed
36 by the permittee, the permittee shall have the permission of the owner or



* H 9 2 1 - V - 2 *

1 possessor of the property on which the event is to be held. Any person serving
 2 alcoholic beverages at the event shall be at least 21 years of age. ~~Alcoholic~~ If
 3 the event takes place on premises not owned or possessed by the permittee,
 4 alcoholic beverages may be transported by the mobile bar services permit
 5 holder to the premises of the event no earlier than 8:00 A.M. ~~At~~ A.M. on the
 6 day of the event, and, at the conclusion of the event, all alcoholic beverages
 7 must be removed from the premises no later than 12:00 noon of the following
 8 day. A limited special occasion permit shall not be required for an event at
 9 which alcoholic beverages are exclusively provided by the holder of a mobile
 10 bar services permit. The holder of a mobile bar services permit may bring
 11 alcoholic beverages onto the premises and serve the alcoholic beverages at an
 12 event regardless of whether there is a charge or fee for guests to attend the
 13 event. This permit does not allow the retail sale of individual alcoholic
 14 beverages to guests at an event. A permittee shall not sell tickets or charge
 15 individuals for entry to any event at which the permittee is providing mobile
 16 bar services."
 17

18 **TOWN OF ANGIER ABC BOARD DISTRIBUTIONS**

19 **SECTION 3.(a)** Section 6 of Chapter 626, Session Laws of 1969, as amended by
 20 Chapter 144, Session Laws of 1971, reads as rewritten:

21 "**Sec. 6.** The net profits, as determined by quarterly audit, shall be distributed and used as
 22 follows:

23 1. Ten per cent (10%) of the net profit shall be ~~paid to the Angier Community~~
 24 ~~Library~~ allocated to recreation programs within the town limits of the Town of Angier.

25 2. Ten per cent (10%) of the net profit may be used by the town Alcoholic Control
 26 Board, in its discretion, for educational programs as to the effect of the use of alcoholic beverages
 27 and for the rehabilitation of alcoholics. Whenever a person becomes an inebriate from the use of
 28 alcoholic beverages and has been committed by the Clerk of Court of Harnett County, as provided
 29 in G.S. 35-2, and such person is indigent so that expenses of his care and cure shall constitute a
 30 valid charge against the county, as provided in G.S. 35-2, the town Alcoholic Control Board shall
 31 pay to the county such charges; provided, that the town Alcoholic Control Board shall not be
 32 required to pay any such charges except where it has agreed with the Clerk of Superior Court to
 33 pay such charges prior to the person's commitment. The town Alcoholic Control Board is
 34 authorized to participate in and to make contributions to public and private organizations which
 35 have rehabilitation programs for alcoholics, when the organization and its programs have been
 36 approved by the board. Nothing herein shall be construed as limiting the Alcoholic Control
 37 Board's discretion in establishing its educational and rehabilitation program and expenditures
 38 therefor within the ten per cent (10%) net profits herein allocated.

39 3. The remainder of the net profits shall be allocated to the general fund of the town of
 40 Angier. The governing body of the town is hereby authorized to appropriate such funds for any
 41 proper governmental purpose. Out of the funds allocated to it, the governing body of the town is
 42 authorized, at its discretion, to expend up to twenty-five per cent (25%) of such funds for
 43 recreational programs in the town."

44 **SECTION 3.(b)** Any undistributed funds accrued by the town Alcoholic Control
 45 Board prior to the effective date of this act for distribution to the Angier Community Library
 46 shall be distributed for the purpose of recreation programs within the town limits of the Town of
 47 Angier.

49 **ALLOW MIXED BEVERAGE PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR**
 50 **FROM ANY DESIGNATED ABC STORE IN THE STATE IF THE PERMITTEE'S**
 51 **LOCAL BOARD CANNOT FULFILL AN ORDER**

1 **SECTION 4.(a)** G.S. 18B-800(c2) reads as rewritten:

2 "(c2) Orders of ~~Eligible~~ Distillery Products by Mixed Beverages Permittees. – A local
3 board shall fulfill an order by a mixed beverages permittee for individual bottles or cases of
4 spirituous liquor produced by ~~an eligible~~ a distillery that are listed as a regular code item for sale
5 in the State. If a local board cannot fulfill an order of a mixed beverages permittee for individual
6 bottles or cases of spirituous liquor produced by ~~an eligible~~ a distillery that are listed as a regular
7 code item for sale in the State because the product ordered is not in the local board's stock
8 inventory or the order cannot otherwise be fulfilled within the time period requested by the
9 permittee, ~~the either of the following shall occur:~~

10 (1) The permittee may request to have an eligible distillery that produces the
11 ordered product ship the product directly to the local board. The local board
12 shall notify the Commission within 48 hours of the request for the order and
13 request authorization for direct shipment. The Commission shall then
14 determine if the eligible distillery desires to directly ship the ordered product
15 directly to the local board, and if so, the Commission shall authorize the
16 eligible distillery to ship the spirituous liquor ordered to the local board for
17 the fulfillment of the mixed beverages permittee's order. Merchandise
18 authorized to be shipped by direct shipment under this ~~subsection~~ subdivision
19 shall be consigned by the State ABC warehouse to the distiller's account in
20 care of the local board. The local board shall acknowledge receipt of the
21 merchandise on the shipping documents and forward them to the State ABC
22 warehouse for processing through the accounting system as though the
23 merchandise were shipped from the State ABC warehouse. As used in this
24 ~~subsection, subdivision,~~ an "eligible distillery" is a distillery (i) that sells, to
25 consumers at the distillery, to exporters, to local boards, and to private or
26 public agencies or establishments of other states or nations, fewer than 10,000
27 proof gallons of in-house brand spirituous liquors distilled or produced and
28 manufactured by it at the permit holder's distillery per year, and (ii) that is
29 either the holder of a distillery permit pursuant to G.S. 18B-1105 or is a
30 business located outside the State that is licensed or permitted to manufacture
31 spirituous liquor in the jurisdiction where the business is located and whose
32 products are lawfully sold in this State.

33 (2) If the permittee does not request direct shipment pursuant to subdivision (1)
34 of this subsection, the local board shall provide a waiver to be obtained by the
35 permittee in person at the ABC store with the portion of the permittee's order
36 that the local board was able to fulfill, if any. The waiver shall authorize the
37 permittee to purchase the product from any other ABC store in the State that
38 is designated as a mixed beverage ABC store pursuant to G.S. 18B-404(c).
39 The Commission shall create a standard waiver form to include the name of
40 the permittee and the permittee's establishment, the permit number of the
41 permitted establishment, the name and code item of the ordered product, the
42 date on which the local board was unable to fulfill the order, and the signature
43 of a representative of the local board that could not fulfill the order or the
44 manager of the ABC store that provided the waiver form. The waiver shall be
45 valid for 90 calendar days from the date of issuance. The permittee may
46 purchase the ordered product as provided on the waiver at any other ABC
47 store in the State that is designated as a mixed beverage ABC store pursuant
48 to G.S. 18B-404(c) upon presentation and relinquishment of the waiver at the
49 ABC store."

50 **SECTION 4.(b)** G.S. 18B-404(c) reads as rewritten:

"(c) Designated Store. – ~~A~~Except as provided in G.S. 18B-800(c2)(2), a mixed beverage permittee may purchase spirituous 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."

SECTION 4.(c) This section becomes effective August 1, 2026, and applies to orders placed by a mixed beverage permittee on or after that date.

ALLOW CONSUMER TASTINGS OF MIXED BEVERAGES AT ABC STORES UNDER A SPIRITUOUS LIQUOR SPECIAL EVENT PERMIT

SECTION 5. 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.
-"

INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE

SECTION 6.(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 6.(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 7.(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 7.(b) This section becomes effective July 1, 2026, and applies to lotteries or other random drawings to sell apportioned products on or after that date.

AUTHORIZE TEMPORARY AND VARIABLE PRICING PROMOTIONS

SECTION 8.(a) Article 10 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1004.1. Variable pricing.

Notwithstanding any provision of this Chapter to the contrary, an establishment holding an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, mixed beverages permit, or any combination thereof may offer temporary pricing

1 adjustments on alcoholic beverages sold by the establishment subject to all of the following
 2 conditions:

- 3 (1) The price adjustment shall be applicable for a specified and limited duration
 4 of time within a single business day.
- 5 (2) All pricing adjustments shall be publicly posted within the licensed premises
 6 and shall be made available to the Commission or a law enforcement officer
 7 with jurisdiction upon request.
- 8 (3) Pricing adjustments shall comply with all applicable State and federal laws,
 9 rules, and regulations concerning the responsible service of alcohol.
- 10 (4) Advertising of the price and type of alcoholic beverages is allowed through
 11 either or both of the following:
 - 12 a. On outside signage located on the permittee's premises, subject to any
 13 applicable local ordinances regulating outdoor signage.
 - 14 b. Via newspapers, radio, television, and other mass media."

15 **SECTION 8.(b)** This section becomes effective October 1, 2026, and applies to
 16 alcoholic beverages sold on or after that date.

17
 18 **CLARIFY PERMISSION TO TAKE MIXED BEVERAGES ONTO PERMITTED**
 19 **PREMISES IN A SOCIAL DISTRICT**

20 **SECTION 9.** G.S. 18B-300.1(f) reads as rewritten:

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

- 24 ...
- 25 (6) Notwithstanding G.S. 18B-300 and G.S. 18B-301, a permittee or
 26 non-permittee business may allow a customer to possess and consume on the
 27 business's premises alcoholic beverages purchased from a permittee in the
 28 social district. A permittee business that is not permitted to sell mixed
 29 beverages may allow a customer to possess and consume on the business's
 30 premises mixed beverages purchased from a mixed beverages permittee in the
 31 social district."

32
 33 **CLARIFY WHEN SPECIAL ONE-TIME PERMITS ARE REQUIRED FOR**
 34 **NONPROFIT ORGANIZATIONS**

35 **SECTION 10.** G.S. 18B-1002(a) reads as rewritten:

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

- 38 ...
- 39 (2) A permit may be issued to a nonprofit organization to allow the retail sale of
 40 malt beverages, unfortified wine, fortified wine, or mixed beverages, or to
 41 allow brown-bagging, at a single fund-raising event of that organization. A
 42 permit for this purpose shall not be issued for the sale of any kind of alcoholic
 43 beverage in a jurisdiction where the sale of that alcoholic beverage is not
 44 lawful. A permit is not required under this subdivision for an event conducted
 45 by a nonprofit organization that meets any of the following:
 - 46 a. The event is held on premises permitted under G.S. 18B-1001(1),
 47 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6),
 48 or 18B-1001(10) and the wine, malt beverages, and spirituous liquor
 49 sold at the event are sold by the retail permittee from the retail
 50 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 event held to allow the unit of local government or organization to raise funds. A permit is not required under this subdivision for a ticketed 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

1 purchased for use in mixed beverages. The issuance of this permit shall also
 2 allow a nonprofit organization to offer alcoholic beverages in the
 3 manufacturer's original closed container as a prize in a raffle or sell alcoholic
 4 beverages in the manufacturer's original closed container at auction at the
 5 ticketed event to allow the nonprofit organization to raise funds.

6"

7 **REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT**

8 **SECTION 11.(a)** G.S. 18B-905 reads as rewritten:

9 **"§ 18B-905. Temporary permits.**

10 When an application has been received in proper form, with the required application fee, the
 11 Commission may issue a temporary permit for any of the activities for which permits are
 12 authorized under G.S. 18B-1001 and 18B-1100. If the person has applied to the applicable local
 13 government for the Inspection/Zoning Compliance and Local Government Opinion forms
 14 required for the application but has not received approvals or denials from the local government,
 15 the applicant may submit a sworn affidavit with the application stating that the person has applied
 16 to the local government for the Inspection/Zoning Compliance and Local Government Opinion
 17 approvals in lieu of those approvals. The person shall send the local government approvals or
 18 denials to the Commission within three business days of receiving the approvals or denials. A
 19 temporary permit may be revoked summarily by the Commission without complying with the
 20 provisions of Chapter 150B. Revocation of a temporary permit or withdrawal by the Commission
 21 of a pending application by a permittee possessing a temporary permit shall be effective upon
 22 service of the notice of revocation or withdrawal upon the permittee at either the permittee's
 23 residence or the address given for the business in the permit application or upon the expiration
 24 of five business days after the notice of the revocation or withdrawal has been mailed to the
 25 permittee at either the permittee's residence or the address given for the business in the permit
 26 application. No further notice shall be required."

27 **SECTION 11.(b)** This section becomes effective October 1, 2026, and applies to
 28 applications received on or after that date.
 29
 30

31 **REVISE LAW REGULATING THE SALE AND DELIVERY OF MORE THAN ONE** 32 **DRINK AT A TIME TO A SINGLE PATRON**

33 **SECTION 12.(a)** G.S. 18B-1010(a) reads as rewritten:

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

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

42 a. ~~A malt beverage.~~

43 b. ~~Unfortified wine.~~

44 e. ~~Fortified wine.~~

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

47 **SECTION 12.(b)** G.S. 18B-1001(10) reads as rewritten:

48 "(10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail
 49 sale of mixed beverages for consumption on the premises. The permit also
 50 authorizes a mixed beverages permittee to obtain an antique spirituous liquor
 51 permit under subdivision (20) of this section and to use for culinary purposes

- 1 spirituous liquor lawfully purchased for use in mixed beverages. The permit
 2 may be issued for any of the following:
- 3 a. Restaurants.
 - 4 b. Hotels.
 - 5 c. Private clubs.
 - 6 d. Convention centers.
 - 7 e. Community theatres.
 - 8 f. Nonprofit organizations.
 - 9 g. Political organizations.
 - 10 h. Sports and entertainment venues.
 - 11 i. Bars.
 - 12 j. The holder of a distillery permit authorized under G.S. 18B-1105.
 - 13 k. Breweries.
 - 14 l. Wineries.

15 Additionally, a mixed beverages permit authorizes a permittee that is a
 16 restaurant, hotel, private club, bar, brewery, winery, or the holder of a
 17 distillery permit to sell at retail mixed beverages for consumption off the
 18 premises, including delivery by the permittee or a delivery service permittee.
 19 A mixed beverage sold for consumption off the premises must be sold with
 20 food and shall be (i) a premixed cocktail in the manufacturer's original closed
 21 container, or (ii) packaged in a container with a secure lid or cap, and in a
 22 manner designed to prevent consumption without removal of the lid or cap.
 23 The container shall be no greater than 24 fluid ounces. In accordance with
 24 G.S. 20-138.7, the transportation of a mixed beverage in a motor vehicle shall
 25 not be unlawful if the container is an unopened manufacturer's original
 26 container or is transported in a locked container, in the trunk, or in the area
 27 behind the last upright seat in a motor vehicle not equipped with a trunk.
 28 Notwithstanding G.S. 18B-1010, the sale of more than ~~one mixed beverage~~
 29 ~~drink~~ two mixed beverage drinks at one time shall not be unlawful if the mixed
 30 beverage drinks are sold for delivery or consumption off the permittee's
 31 premises. No mixed beverage ordered for off-premises consumption shall be
 32 provided to any person other than the purchaser of the mixed beverage, except
 33 that in the case of delivery, the delivery service permittee through its
 34 employees or agents may provide the mixed beverage to a person other than
 35 the purchaser if the permittee or the permittee's employees or agents verify
 36 that the person is over 21 years of age using age verification software requiring
 37 the recipient to provide a form of photographic identification authorized in
 38 G.S. 18B-302(d)(1)."

39 **SECTION 12.(c)** This section becomes effective October 1, 2026, and applies to
 40 alcoholic beverages sold on or after that date.

41
 42 **REVISE LAW GOVERNING POSSESSION AND CONSUMPTION OF FORTIFIED**
 43 **WINE AND SPIRITUOUS LIQUOR WITHOUT AN ABC PERMIT**

44 **SECTION 13.(a)** G.S. 18B-301 reads as rewritten:

45 **"§ 18B-301. Possession and consumption of fortified wine and spirituous liquor.**

46 (a) Possession at Home. – It shall be lawful, without an ABC permit, for any person at
 47 least 21 years old to possess for lawful purposes any amount of fortified wine and spirituous
 48 liquor at ~~his~~ the person's home or a temporary residence, such as a hotel room.

49 (b) Possession on Other Property. – It shall be lawful, without an ABC permit, for a
 50 person to possess for his or her personal use and the use of his or her guests not more than eight

1 liters of fortified wine or spirituous liquor, or eight liters of the two combined, at the following
 2 places:

- 3 (1) The residence of any other person with that person's ~~consent~~; consent.
- 4 (2) Any other property ~~not primarily used for commercial purposes and that is not~~
 5 a permitted premises and is not open to the public at the time the alcoholic
 6 beverage is possessed, if the owner or other person in charge of the property
 7 consents to that possession and ~~consumption~~; consumption.
- 8 (3) An establishment with a brown-bagging permit as defined in
 9 G.S. 18B-1001(7).

10 (b1) Possession in a Social District or Common Area. – It shall be lawful, without an ABC
 11 permit, for a person to possess an open container of fortified wine or spirituous liquor in a social
 12 district or a designated consumption area under a common area entertainment permit in
 13 compliance with the provisions of G.S. 18B-300.1 or G.S. 18B-1001.5, respectively.

14 (c) Special Occasions. – It shall be lawful for a person to possess, without a permit and
 15 not for sale, any amount of fortified wine or spirituous liquor for a private party, private reception,
 16 or private special occasion, at any of the following places:

- 17 (1) ~~His~~ The person's home or a temporary residence, such as a hotel ~~room~~; room.
- 18 (2) Any other property ~~not primarily used for commercial purposes, which is~~
 19 under his the person's exclusive control and supervision, and which is not open
 20 to the public during the ~~event~~; event.
- 21 (3) The licensed premises of any business for which the Commission has issued
 22 a special occasions permit under G.S. 18B-1001(8), if ~~he the person~~ is the host
 23 of that private function and has the permission of the permittee.

24 (d) Consumption. – It shall be lawful for a person to consume fortified wine and
 25 spirituous liquor in any place where it is lawful for ~~him the person~~ to possess those alcoholic
 26 beverages under subsections (a) through (c).

27"

28 **SECTION 13.(b)** This section becomes effective October 1, 2026, and applies to
 29 fortified wine and spirituous liquor possessed and consumed on or after that date.

30
 31 **ADD TWO MEMBERS TO THE ABC COMMISSION**

32 **SECTION 14.(a)** G.S. 18B-200 reads as rewritten:

33 **"§ 18B-200. North Carolina Alcoholic Beverage Control Commission.**

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

43 (b) Appointment of Members. – ~~Members~~ The members of the Commission shall be
 44 appointed as follows:

- 45 (1) The chair of the Commission ~~Commission~~, who shall be appointed by the
 46 Governor to serve at the pleasure of the Governor.
- 47 (2) Two associate members, who shall be appointed by the Governor to serve at
 48 his pleasure; ~~the pleasure of the Governor.~~
- 49 (3) One associate member, who shall be a current or former holder of a retail or
 50 commercial ABC permit, who shall be appointed by the President Pro
 51 Tempore of the Senate to serve at the pleasure of the President Pro Tempore.

1 (4) One associate member, who shall be a current or former holder of a retail or
 2 commercial ABC permit, who shall be appointed by the Speaker of the House
 3 of Representatives to serve at the pleasure of the Speaker.

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

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

13 **SECTION 14.(b)** G.S. 18B-201(a) reads as rewritten:

14 "(a) Financial Interests Restricted. – No person shall be appointed to or employed by ~~the~~
 15 ~~Commission,~~ a local ~~board,~~ board or the ALE Division if that person or a member of that person's
 16 family related to that person by blood or marriage to the first degree has or controls, directly or
 17 indirectly, a financial interest in any commercial alcoholic beverage enterprise, including any
 18 business required to have an ABC permit. The Commission may exempt from this provision any
 19 ~~person, other than a Commission member,~~ person when the financial interest in question is so
 20 insignificant or remote that it is unlikely to affect the person's official actions in any way.
 21 Exemptions may be granted only to individuals, not to groups or classes of people, and each
 22 exemption shall be in writing, be available for public inspection, and contain a statement of the
 23 financial interest in question."

24 **SECTION 14.(c)** This section becomes effective December 1, 2026.

25 **THREE-YEAR STATUTE OF LIMITATIONS FOR ABC VIOLATIONS**

26 **SECTION 15.(a)** G.S. 18B-104 reads as rewritten:

27 **"§ 18B-104. Administrative penalties.**

28 (a) Penalties. – ~~For~~ Unless otherwise provided by law, for any violation of the ABC laws,
 29 the Commission may take any of the following actions against a permittee:

- 30 (1) Suspend the permittee's permit for a specified period of time not longer than
 31 three years.
 32 (2) Revoke the permittee's permit.
 33 (3) For all violations not listed in subdivision (3a) of this subsection, fine the
 34 permittee up to five hundred dollars (\$500.00) for the first violation, up to
 35 seven hundred fifty dollars (\$750.00) for the second violation within three
 36 years, and up to one thousand dollars (\$1,000) for the third violation within
 37 three years of the first violation.
 38 (3a) If the violations involve acts of violence, controlled substances, or prostitution
 39 occurring on the licensed premises, fine the permittee up to seven hundred
 40 fifty dollars (\$750.00) for the first violation, up to one thousand dollars
 41 (\$1,000) for a second violation within three years, and up to one thousand two
 42 hundred fifty dollars (\$1,250) for a third violation within three years of the
 43 first violation. Additionally, the Commission may impose conditions on the
 44 operating hours of the business for violations listed in this subdivision.
 45 (4) Suspend the permittee's permit under subdivision (1) of this subsection and
 46 impose a fine under subdivision (3) or ~~(3a)~~(3a) of this subsection.
 47

48 ...

49 (f) Statute of Limitations. – The Commission shall not seek any administrative penalties
 50 under this section unless the Commission, within three years of the Commission receiving from
 51 law enforcement a permittee's alleged violation of the ABC laws, sends the permittee a notice of

1 alleged violation or files a petition for a contested case against the permittee in accordance with
 2 G.S. 18B-906. Any contested case commenced or maintained by the Commission in violation of
 3 this subsection shall be dismissed. This subsection does not prohibit the Commission from
 4 refiling a contested case that was dismissed without prejudice in accordance with G.S. 1A-1,
 5 Rule 41(a) of the Rules of Civil Procedure, provided that the Commission refiles the contested
 6 case within three years of the Commission receiving from law enforcement the permittee's
 7 alleged violation of the ABC laws or within one year of the dismissal without prejudice,
 8 whichever is later. This subsection does not apply to orders of suspension or revocation pursuant
 9 to G.S. 18B-900(f), 18B-904(e)(2), or 18B-904(e)(4)."

10 **SECTION 15.(b)** G.S. 18B-1001.4(f) reads as rewritten:

11 "(f) Penalties for Violations in Residence Halls. – ~~Notwithstanding G.S. 18B-104,~~ If If a
 12 delivery service permittee commits a violation of this Chapter when delivering to a residence hall
 13 located on the premises of an institution of higher education the delivery service permittee shall
 14 be subject to a fine of up to one thousand dollars (\$1,000) for the first violation, up to one
 15 thousand five hundred dollars (\$1,500) for a second violation within three years of the first
 16 violation, and up to two thousand dollars (\$2,000) for a third or subsequent violation within three
 17 years of the first violation. In any case in which there are two or more violations within three
 18 years by a delivery service permittee when delivering to a residence hall on the premises of an
 19 institution of higher education in which the Commission is entitled to suspend or revoke a permit,
 20 the Commission may accept from the permittee an offer in compromise to pay a penalty of not
 21 more than ten thousand dollars (\$10,000). The Commission may either accept a compromise or
 22 revoke a permit, but not both. The Commission may accept a compromise and suspend the permit
 23 in the same case."

24 **SECTION 15.(c)** This section is effective when it becomes law and applies to
 25 contested cases commenced or maintained on or after that date.
 26

27 TAX RELIEF FOR SMALL BREWERIES AND MICRODISTILLERIES

28 **SECTION 16.(a)** G.S. 105-113.68 reads as rewritten:

29 "§ 105-113.68. Definitions; scope.

30 (a) Definitions. – The following definitions apply in this Article:

31 ...

32 (4b) Barrel. – Defined in G.S. 81A-9.

33 (4c) Bonded premises. – Defined in 26 U.S.C. § 5002.

34 (4d) Controlled group. – Any group of incorporated or nonincorporated businesses
 35 that have common ownership interests, including individuals, partnerships,
 36 and corporations. A business is considered to be part of a controlled group if
 37 more than fifty percent (50%) of the business is owned either by, or in
 38 common with, another business or other businesses.

39 (4e) Distillery permittee. – A distillery that holds a distillery permit issued by the
 40 ABC Commission under G.S. 18B-1105.

41 ...

42 (7a) Microdistillery. – A distillery that withdraws no more than 50,000 proof
 43 gallons of spirituous liquor annually from bonded premises. If a distillery is
 44 part of a controlled group, the controlled group must withdraw no more than
 45 50,000 proof gallons of spirituous liquor annually from bonded premises.

46 ...

47 (8a) Proof gallon. – A liquid gallon of distilled spirits that is fifty percent (50%)
 48 alcohol at 60 degrees Fahrenheit.

49 ...

50 (10a) Small brewery. – A brewery that produces no more than 600,000 barrels of
 51 malt beverages annually. If a brewery is part of a controlled group, the

1 controlled group must produce no more than 600,000 barrels of malt
2 beverages annually.

3 "

4 **SECTION 16.(b)** Part 5 of Article 2C of Chapter 105 of the General Statutes is
5 amended by adding a new section to read:

6 **"§ 105-113.85A. Credit allowed.**

7 (a) Credit. – When filing a return, a taxpayer is allowed a credit as provided for in this
8 section against the tax imposed by this Article. A credit authorized under this section must be
9 subtracted from the tax due prior to calculating any discount under G.S. 105-113.85. A credit is
10 authorized for the following:

11 (1) A local ABC Board or distillery in an amount equal to the tax due in the period
12 covered by the return that is attributable to the sale of spirituous liquor
13 produced by a registered microdistillery.

14 (2) A wholesaler or importer in an amount equal to the tax due in the period
15 covered by the return that is attributable to the sale of malt beverages produced
16 by a registered small brewery.

17 (b) Registration. – The credit authorized under this section is available on products
18 attributable to a microdistillery or a small brewery that are sold during a month in which the
19 microdistillery or small brewery is registered under this section. The Secretary shall prescribe
20 the manner in which a person may register as a microdistillery or small brewery. Registration
21 must be accompanied by a written certificate signed under penalty of perjury that the person
22 qualifies as a microdistillery or small brewery, as applicable. The Secretary may request any
23 information necessary to verify that the person qualifies or continues to qualify for registration
24 under this subsection.

25 The Secretary shall keep a record of all persons registered under this subsection sorted by
26 designation. The list shall state the name and business address of each person registered. The
27 Secretary shall make available the list required under this subsection on the Department's
28 website. A person registered under this subsection that no longer qualifies as a microdistillery or
29 small brewery shall promptly notify the Secretary. A person must be removed from the list if the
30 Secretary determines that the person no longer qualifies as a microdistillery or small brewery or
31 if the person fails to respond to the Secretary's request for information verifying the person's
32 continued eligibility for registration under this subsection.

33 (c) Forfeiture. – A taxpayer may rely on the list published by the Department under
34 subsection (b) of this section when taking the credit authorized under this section; however, the
35 taxpayer forfeits the credit taken under this section on product produced by a person registered
36 under subsection (b) of this section for any month in which the Department determines the credit
37 was not allowed as provided for under this subsection. If the Department determines that a
38 taxpayer avoided tax by taking a credit in violation of this subsection, the taxpayer is liable for
39 all past taxes avoided as a result of any forfeited credits plus interest at the rate established under
40 G.S. 105-241.21, computed from the date the taxes would have been due if the forfeited credits
41 had not been taken. The Secretary shall also charge the taxpayer with a penalty equal to
42 twenty-five percent (25%) of the amount of taxes avoided. The past taxes, penalty, and interest
43 are due 30 days after the date the credits are forfeited; a taxpayer that fails to pay the past taxes,
44 penalty, and interest by the due date is subject to the penalties provided in G.S. 105-236. A credit
45 is not allowed on spirituous liquor, antique spirituous liquor, or malt beverages which are:

46 (1) Sold by the distillery or brewery that produced the product in any month in
47 which the distillery or brewery was registered but did not qualify as a
48 microdistillery or small brewery, as applicable.

49 (2) Sold by a person other than the distillery or brewery that produced the product
50 in any month in which the person knew the distillery or brewery was registered
51 but did not qualify as a microdistillery or small brewery, as applicable."

1 **SECTION 16.(c)** This section becomes effective January 1, 2027, and applies to
2 malt beverages and spirituous liquor first sold or otherwise disposed of on or after that date;
3 however, the Secretary of Revenue may begin registering persons as a microdistillery or small
4 brewery under G.S. 105-113.85A(b), as enacted by this section, on September 1, 2026.

5
6 **ESTABLISH SERVICE BUSINESS PERMIT**

7 **SECTION 17.(a)** G.S. 18B-300(a1) reads as rewritten:

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

18 **SECTION 17.(b)** G.S. 18B-603 is amended by adding a new subsection to read:

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

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

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

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

32 **SECTION 17.(c)** G.S. 18B-902 reads as rewritten:

33 **"§ 18B-902. Application for permit; fees.**

34 ...

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

37 ...

38 (57) Service business permit – \$50.00.

39 ...

40 (h) Recycling Plan Required. – Each applicant for an on-premises malt beverage permit,
41 on-premises unfortified wine permit, service business permit, on-premises fortified wine permit,
42 or a mixed beverages permit shall prepare and submit with the application a plan for the collection
43 and recycling of all recyclable beverage containers of all beverages to be furnished or sold at
44 retail on the premises. Each applicant for a mobile bar services permit shall prepare and submit
45 with the application a plan for the collection and recycling of all recyclable beverage containers
46 of all beverages to be served at an event pursuant to the permit. A permittee who is not able to
47 find a recycler for its beverage containers may apply to the Alcoholic Beverage Control
48 Commission for a one-year stay of the requirement to implement a recycling program in
49 compliance with G.S. 18B-1006.1. The application shall be made in a form specified by the
50 Commission, shall detail the efforts made by the permittee to provide for the collection and
51 recycling of beverage containers, and shall specify the impediments to implementation of a

1 recycling plan. The Commission shall submit all such applications to the Division of
 2 Environmental Assistance and Outreach of the Department of Environmental Quality for review
 3 and certification. The Division of Environmental Assistance and Outreach shall investigate each
 4 application and prepare a summary of its investigation and shall submit the summary to the
 5 Commission along with a notation indicating certification or denial of the application. A
 6 permittee whose application for a stay is certified by the Division of Environmental Assistance
 7 and Outreach shall not be required to comply with the recycling requirement of the alcoholic
 8 beverage laws and regulations during the one-year stay period so certified."

9 **SECTION 17.(d)** G.S. 18B-903 reads as rewritten:

10 **"§ 18B-903. Duration of permit; renewal and transfer.**

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

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

16 ...

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

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

38"

39 **SECTION 17.(e)** G.S. 18B-1000 reads as rewritten:

40 **"§ 18B-1000. Definitions concerning establishments.**

41 The following requirements and definitions shall apply to this Chapter:

42 ...

43 (7a) Service business. – An establishment that is primarily engaged in the business
 44 of providing services to the general public that require an occupational license
 45 issued by the State.

46 ~~(7a)~~(7b) Sports and entertainment venue. – Stadiums, ballparks, and other similar
 47 facilities with a permanently constructed seating capacity of 3,000 or more
 48 which are not located on the campus of a school, college, or university.

49"

50 **SECTION 17.(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 17.(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 17.(h) This section becomes effective July 1, 2026.

COUNTY MIXED BEVERAGE ELECTION AMENDMENT

SECTION 18.(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. 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."

SECTION 18.(b) This section is retroactively effective October 1, 2024.

BROWN-BAGGING TECHNICAL CORRECTION

SECTION 19. 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, 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 20. G.S. 18B-300.3 reads as rewritten:

1 **"§ 18B-300.3. Possession and consumption of alcoholic beverages in the security-screened**
 2 **area of airports.**

3 (a) During the hours of airport operation, any establishment permitted under subdivision
 4 (1), (3), (5), or (10) of ~~G.S. 18B-1000~~G.S. 18B-1001 and operating in the Transportation
 5 Security Administration-screened portion of an airport may, with the written approval of the
 6 airport authority, sell the alcoholic beverages it is permitted to sell for consumption throughout
 7 the Transportation Security Administration-screened portion of the establishment's respective
 8 airport terminal.

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

11 (1) The container is not comprised of glass.

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

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

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

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

21
 22 **ALLOW ALCOHOL SALES AT MILLENNIAL CAMPUSES AT UNIVERSITY OF**
 23 **NORTH CAROLINA INSTITUTIONS AND AT THE HORACE WILLIAMS CAMPUS**
 24 **OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL**

25 **SECTION 21.** G.S. 18B-1006(a) reads as rewritten:

26 "(a) School and College Campuses. – No permit for the sale of alcoholic beverages shall
 27 be issued to a business on the campus or property of a public school, college, or university. This
 28 subsection shall not apply to the following:

29 ...

30 (5) Restaurants, eating establishments, food businesses, or retail businesses on the
 31 property defined by ~~G.S. 116-198.33(4)~~subdivision (4), (4a), or (4b) of
 32 G.S. 116-198.33.

33"

34
 35 **ALLOW THE SALE OF PREMIXED COCKTAILS FOR ON-PREMISES AND**
 36 **OFF-PREMISES CONSUMPTION AND ALLOW WHOLESALERS TO DISTRIBUTE**
 37 **PREMIXED COCKTAILS**

38 **SECTION 22.(a)** G.S. 18B-100 reads as rewritten:

39 **"§ 18B-100. Purpose of Chapter.**

40 This Chapter is intended to establish a uniform system of control over the sale, purchase,
 41 transportation, manufacture, consumption, and possession of alcoholic beverages in North
 42 Carolina, and to provide procedures to ~~insure~~ensure the proper administration of the ABC laws
 43 under a uniform system throughout the State. This Chapter shall be liberally construed to the end
 44 that the sale, purchase, transportation, manufacture, consumption, and possession of alcoholic
 45 beverages shall be prohibited except as authorized in this Chapter. If any provision of this
 46 Chapter, or its application to any person or circumstance, is determined by a court or other
 47 authority of competent jurisdiction to be invalid or unconstitutional, such provision shall be
 48 stricken and the remaining provisions shall be construed in accordance with the intent of the
 49 General Assembly to further limit rather than expand commerce in alcoholic beverages, and with
 50 respect to malt beverages, unfortified wine, premixed cocktails, and fortified wine, the remaining
 51 provisions shall be construed to enhance strict regulatory control over taxation, distribution, and

1 sale of alcoholic beverages through the three-tier regulatory system and the franchise laws
 2 imposed by this Chapter.

3 Except as provided in this Chapter, local ordinances establishing different rules on the
 4 manufacture, sale, purchase, transportation, possession, consumption, or other use of alcoholic
 5 beverages, or requiring additional permits or fees, are prohibited."

6 **SECTION 22.(b)** G.S. 18B-101 reads as rewritten:

7 **"§ 18B-101. Definitions.**

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

9 ...
 10 (4) "Alcoholic beverage" means any beverage containing at least one-half of one
 11 percent (0.5%) alcohol by volume, including malt beverages, unfortified wine,
 12 premixed cocktails, fortified wine, spirituous liquor, mixed beverages, and
 13 any alcohol consumable.

14 ...
 15 (5c) "Bailment surcharge" means the charge imposed on each case of liquor or
 16 premixed cocktails shipped from a Commission warehouse as provided in
 17 G.S. 18B-208. This bailment surcharge is in addition to the bailment charge
 18 imposed by ~~G.S. 18B-804(b)(2)~~ G.S. 18B-804(b)(2) and G.S. 18B-804(e)(2).

19 (5d) "Brokerage" means a business that brokers the sale of spirituous liquor or
 20 premixed cocktails on behalf of the holder of a distillery permit issued under
 21 G.S. 18B-1105, a business located outside the State that is licensed or
 22 permitted to manufacture spirituous liquor or premixed cocktails in the
 23 jurisdiction where the business is located and whose products are lawfully sold
 24 in this State, or a liquor importer or bottler.

25 ...
 26 (10) "Mixed beverage" means ~~either of the following:~~ a drink composed in whole
 27 or in part of spirituous liquor and served in a quantity less than the quantity
 28 contained in a closed package. The term "mixed beverage" does not include
 29 premixed cocktails.

- 30 a. ~~A drink composed in whole or in part of spirituous liquor and served~~
 31 ~~in a quantity less than the quantity contained in a closed package.~~
- 32 b. ~~A premixed cocktail sold by a mixed beverages permittee, regardless~~
 33 ~~of whether the premixed cocktail is sold in an open container or a~~
 34 ~~closed container.~~

35 ...
 36 (12c) "Premixed cocktail" means a single-serving drink in the manufacturer's
 37 original closed container of 24 fluid ounces or less containing at least one-half
 38 of one percent (0.5%), and no more than ~~thirteen percent (13%),~~ nine and
 39 nine-tenths percent (9.9%), alcohol by volume and consisting of spirituous
 40 liquor premixed with any or all of the following: nonalcoholic beverages,
 41 flavoring, or coloring. A premixed cocktail may contain water, fruit juices,
 42 fruit adjuncts, sugar, carbon dioxide, preservatives, and other similar products
 43 manufactured by fermenting fruit or fruit juices.

44 ...
 45 (14) "Spirituous liquor" or "liquor" means distilled spirits or ethyl alcohol, and any
 46 alcohol consumable containing distilled spirits or ethyl alcohol, including
 47 spirits of wine, whiskey, rum, brandy, gin and all other distilled spirits and
 48 mixtures of ~~eordials,~~ cordials and liqueur, and premixed cocktails, in closed
 49 containers regardless of their dilution. The terms "spirituous liquor" and
 50 "liquor" do not include premixed cocktails.

51"

1 **SECTION 22.(c)** G.S. 18B-105 reads as rewritten:

2 "**§ 18B-105. Advertising.**

3 ...

4 (c) A ~~beer or wine~~ beer, wine, or premixed cocktail wholesaler may give, furnish, loan,
5 rent, or sell retailer advertising specialty items and product displays to a retail permittee, so long
6 as the items have not been customized for an individual retail permittee, and provided that the
7 value of the items per brand does not exceed six hundred dollars (\$600.00) per year. For the
8 purposes of this subsection, the following definitions apply:

9 (1) Product displays. – Racks, bins, barrels, casks, shelving, and similar items
10 from which malt beverages, wine, premixed cocktails, or spirituous liquor are
11 displayed and sold.

12 ...

13 (d) The holder of a supplier representative permit, brokerage representative permit,
14 nonresident spirituous liquor vendor permit, or distillery permit issued under G.S. 18B-1105 may
15 give, furnish, loan, rent, or sell retailer advertising specialty items and product displays to a local
16 board, so long as the items have not been customized for an individual local board, and provided
17 that the value of the items per brand does not exceed one thousand dollars (\$1,000) per year. For
18 the purposes of this subsection, the following definitions apply:

19 (1) Product displays. – Racks, bins, barrels, casks, shelving, and similar items
20 from which malt beverages, wine, premixed cocktails, or spirituous liquor are
21 displayed and sold.

22 "

23 **SECTION 22.(d)** G.S. 18B-106 reads as rewritten:

24 "**§ 18B-106. Alcoholic beverages for use on oceangoing ships.**

25 (a) Delivery Permitted. – Alcoholic beverages for use outside the United States on
26 oceangoing vessels shall be delivered as follows:

27 ...

28 (2) Malt beverages, unfortified wine, premixed cocktails, and fortified wine may
29 be sold and delivered by any wholesaler or retailer licensed ~~in this in this~~
30 State to an officer or agent of an oceangoing vessel. The Commission may
31 require the officer or agent to obtain a permit before purchasing alcoholic
32 beverages under this subdivision.

33 ...

34 (c) Rules. – The Commission may issue rules relating to applications for permits and
35 otherwise regulate the importation, sale, and delivery of alcoholic beverages under this section
36 to ~~insure that~~ ensure that those beverages are used only on oceangoing vessels outside the United
37 States."

38 **SECTION 22.(e)** G.S. 18B-107(a) reads as rewritten:

39 "(a) Purchase and Storage. – The Commission may issue permits authorizing air carriers
40 offering regularly scheduled or chartered flights in foreign, interstate, or intrastate commerce to
41 purchase malt beverages, unfortified wine, premixed cocktails, and fortified wine from any
42 wholesaler or retailer licensed in this State, and to transport ~~those alcoholic those~~ alcoholic
43 beverages. The Commission may also authorize air carriers to store, at facilities approved by the
44 Commission, alcoholic beverages to be sold or served pursuant to ~~subsection (b)~~ subsection (b)
45 of this section."

46 **SECTION 22.(f)** G.S. 18B-108 reads as rewritten:

47 "**§ 18B-108. Sales on trains.**

48 Alcoholic beverages may be sold on railroad trains in this State upon compliance with Article
49 2C of Chapter 105 of the General Statutes. Malt beverages, unfortified wine, premixed cocktails,
50 and fortified wine may be sold and delivered by any wholesaler or retailer licensed in this State

1 to an officer or agent of a rail line that carries at least 60,000 passengers annually or is at least
2 100 miles long and connects to the national rail network."

3 **SECTION 22.(g)** G.S. 18B-109(b) reads as rewritten:

4 "(b) Armed Forces Installation and Indian Country Lands. – No person shall have ~~malt~~
5 ~~beverages or unfortified wine~~ malt beverages, unfortified wine, or premixed cocktails shipped
6 directly from a point outside this State to: (i) an installation of the Armed Forces of the United
7 States within this State if those alcoholic beverages are for resale on the installation; (ii) the
8 Eastern Band of Cherokee Indians for resale on Indian Country lands within this State under the
9 jurisdiction of the Eastern Band of Cherokee Indians; or (iii) the Catawba Indian Nation for resale
10 on Indian Country lands within this State under the jurisdiction of the Catawba Indian Nation."

11 **SECTION 22.(h)** G.S. 18B-112 reads as rewritten:

12 **"§ 18B-112. Tribal alcoholic beverage control.**

13 ...

14 (b) Compliance Required. – The Eastern Band of Cherokee Indians and the Catawba
15 Indian Nation shall comply with the following provisions of this Chapter to the extent they apply
16 to or can be made applicable to each tribe:

17 (1) The following provisions of Article 1. – General Provisions.

18 a. G.S. 18B-101(4), (7), (7c), (9), (10), (11), (12), (12a), (12c), (13),
19 ~~(14)(14a)~~, (14), (14a), (14b), and (15).

20 ...

21 Any provision of ~~Articles 12 and 13~~ Articles 12, 13, and 14 of this Chapter which has not
22 been made applicable to the Eastern Band of Cherokee Indians and the Catawba Indian Nation
23 by this section shall act as a bar to engaging in any activity authorized by that Article or section.

24 (b1) In accordance with G.S. 18B-1004(c), the Eastern Band of Cherokee Indians and the
25 Catawba Indian Nation may adopt an ordinance allowing for the sale of malt beverages,
26 unfortified wine, premixed cocktails, fortified wine, and mixed beverages beginning at 10:00
27 A.M. on Sunday pursuant to the licensed premises' permit issued under the authority of
28 G.S. 18B-112(d).

29 ...

30 (d) Establishment of Tribal Commissions. – In accordance with the provisions of 18
31 U.S.C. § 1161, the Eastern Band of Cherokee Indians and the Catawba Indian Nation are each
32 authorized to establish a tribal alcoholic beverage control commission to regulate the purchase,
33 possession, consumption, sale, and delivery of alcoholic beverages on any land designated as
34 Indian Country pursuant to 18 U.S.C. § 1151 under the jurisdiction of the Eastern Band of
35 Cherokee Indians. Each tribal commission shall have exclusive authority to issue ABC permits
36 to retail and commercial establishments located wholly on Indian Country lands under the
37 jurisdiction of the tribe and to regulate the purchase, possession, consumption, sale, and delivery
38 of alcoholic beverages at permitted outlets and premises. Permits issued by the tribal commission
39 pursuant to this section shall be deemed issued by the State for the purposes of sales and delivery
40 of ~~beer and wine~~ malt beverages, wine, and premixed cocktails by wholesalers to the retail outlets
41 located on Indian Country lands. The fees generated by the tribal alcoholic beverage control
42 commission for the issuance of retail permits may be retained by each tribe to offset costs of
43 operating the tribal alcoholic beverage control commission.

44 ...

45 (f) Authority of the North Carolina Alcoholic Beverage Control Commission. – The
46 North Carolina Alcoholic Beverage Control Commission shall have the authority to enter into
47 agreements with the tribal alcoholic beverage control commission to provide for the sale,
48 delivery, and distribution of spirituous liquor and premixed cocktails to the tribal alcoholic
49 beverage control commission. The tribal alcoholic beverage control commission shall purchase
50 spirituous liquor and premixed cocktails for resale by the tribal alcoholic beverage control
51 commission exclusively from the North Carolina Alcoholic Beverage Control Commission at the

1 same price and on the same basis that such ~~spirits~~ alcoholic beverages are purchased by local
 2 boards. To the extent there is a conflict between the tribal alcoholic beverage control
 3 commission's authority or purpose and the North Carolina Alcoholic Beverage Control
 4 Commission's authority or purpose, the North Carolina Alcoholic Beverage Control Commission
 5 shall prevail. This subsection shall not be construed to prohibit retail permittees from purchasing
 6 premixed cocktails from premixed cocktail wholesaler permittees licensed under this Chapter.

7"

8 **SECTION 22.(i)** G.S. 18B-203(a) reads as rewritten:

9 "(a) Powers. – The Commission shall have authority to:

- 10 (1) Administer the ABC ~~laws;~~ laws.
- 11 (2) Provide for enforcement of the ABC laws, in conjunction with the ALE
 12 ~~Division;~~ Division.
- 13 (3) Set the prices of alcoholic beverages sold in local ABC stores as provided in
 14 Article ~~8;~~ 8. This subdivision shall not be construed to allow the Commission
 15 to set the prices of premixed cocktails sold outside of local ABC stores.
- 16 (4) Require reports and audits from local boards as provided in
 17 ~~G.S. 18B-205;~~ G.S. 18B-205.
- 18 (5) Determine what brands of alcoholic beverages may be sold in this ~~State;~~ State.
- 19 (6) Contract for State ABC warehousing, as provided in
 20 ~~G.S. 18B-204;~~ G.S. 18B-204.
- 21 (7) Dispose of damaged alcoholic beverages, as provided in
 22 ~~G.S. 18B-806;~~ G.S. 18B-806.
- 23 (8) Remove for cause any member or employee of a local ~~board;~~ board.
- 24 (9) Supervise or disapprove purchasing by any local board and inspect all records
 25 of purchases by local ~~boards;~~ boards.
- 26 (10) Approve or disapprove rules adopted by any local ~~board;~~ board.
- 27 (11) Approve or disapprove the opening and location of ABC stores, as provided
 28 in Article ~~8;~~ 8.
- 29 (12) Issue ABC permits, and impose sanctions against ~~permittees;~~ permittees.
- 30 (13) Provide for the testing of alcoholic beverages, as provided in
 31 ~~G.S. 18B-206;~~ G.S. 18B-206.
- 32 (14) Fix the amount of bailment charges and bailment surcharges to be assessed on
 33 liquor and premixed cocktails shipped from a Commission
 34 ~~warehouse;~~ warehouse.
- 35 (15) Collect bailment charges and bailment surcharges from local ~~boards;~~ boards.
- 36 (16) Notwithstanding any law to the contrary, enter into contracts for design and
 37 construction of a warehouse or warehouses and supervise work and materials
 38 used in the construction, as provided in ~~G.S. 18B-204;~~ G.S. 18B-204.
- 39 (17) Provide for the distribution of spirituous liquor and premixed cocktails to: (i)
 40 installations of the Armed Forces of the United States within this State for
 41 resale on the installation; (ii) the Eastern Band of Cherokee Indians for resale
 42 on Indian Country lands within this State under the jurisdiction of the Eastern
 43 Band of Cherokee Indians; and (iii) to the Catawba Indian Nation for resale
 44 on Indian Country lands within the State under the jurisdiction of the Catawba
 45 Indian Nation. This subdivision shall not be construed to limit the ability of
 46 licensed premixed cocktail wholesalers to sell and distribute premixed
 47 cocktails to: (i) installations of the Armed Forces of the United States within
 48 this State for resale on the installation; (ii) the Eastern Band of Cherokee
 49 Indians for resale on Indian Country lands within this State under the
 50 jurisdiction of the Eastern Band of Cherokee Indians; or (iii) the Catawba

1 Indian Nation for resale on Indian Country lands within the State under the
2 jurisdiction of the Catawba Indian Nation.

- 3 (18) Provide for the distribution and posting of warning signs to local ABC boards
4 regarding the dangers of alcohol consumption during pregnancy as required
5 under ~~G.S. 18B-808~~; G.S. 18B-808.

6"

7 **SECTION 22.(j)** G.S. 18B-204 reads as rewritten:

8 "**§ 18B-204. State warehouse.**

9 (a) Contracting for Private Warehouse. – The Commission shall provide for the receipt,
10 storage, and distribution of spirituous liquor and premixed cocktails by one of the following
11 methods:

- 12 (1) By negotiated contract with a privately owned warehouse.
13 (2) By negotiated contract with privately owned warehouses in several regions of
14 the State. The Commission shall choose locations for the warehouses to
15 promote efficient distribution of spirituous liquor and premixed cocktails to
16 all local boards, to maintain control of ~~that liquor, the liquor and premixed~~
17 cocktails, and to ~~insure~~ ensure the Commission's supervision of warehousing
18 procedures.
19 (3) By the construction of a warehouse, and by contracting for receipt, storage
20 and distribution of spirituous liquor and premixed cocktails by an independent
21 contractor, by negotiated contract or by the use of procedures for purchase and
22 contract by State agencies, for the operation of that warehouse.

23 (a1) ~~Distribution of Spirituous Liquor;—Liquor and Premixed Cocktails; No~~
24 Discrimination. – The Commission shall make a good-faith effort, without discrimination, to
25 make all spirituous liquor and premixed cocktails distributed by the Commission available to all
26 local boards. The Commission shall adopt rules regarding the ordering of spirituous liquor and
27 premixed cocktails by local boards and may suspend distribution to a local board of any limited
28 product required to be recorded pursuant to subsection (a3) of this section for a violation of any
29 rule concerning the ordering of the limited product.

30 ...

31 (b) Audits and Inspections. – Contracts entered into pursuant to this section shall provide
32 all of the following:

33 ...

- 34 (3) That all warehouse accounts relating to the receipt, storage, or distribution of
35 spirituous liquor and premixed cocktails be subject to audit by the State
36 Auditor.

37 (c) Emergency or Temporary Operation. – If the independent operator of a warehouse
38 changes, or if some other occurrence results in substantially impeded distribution of spirituous
39 liquor or premixed cocktails from a warehouse, the Commission may operate that warehouse on
40 an interim emergency or temporary basis.

41"

42 **SECTION 22.(k)** G.S. 18B-206(c) reads as rewritten:

43 "(c) Testing. – The Commission may test malt beverages, unfortified wine, premixed
44 cocktails, fortified wine, and spirituous liquor possessed or offered for sale in this State to
45 determine whether they meet the standards set by the Commission. If the Commission chooses
46 to test an alcoholic beverage, that test may be performed by the Commission, the Commission
47 may arrange for the State Chemist to perform the testing, or the Commission may have the testing
48 performed in some other manner. The manufacturer of tested alcoholic beverages shall pay the
49 costs of the test. In lieu of testing an alcoholic beverage, the Commission may rely on testing by
50 a federal agency or an agency of another state or may accept test results from a federal agency,
51 an agency of another state, or the manufacturer of the alcoholic beverage or his authorized agent.

1 A manufacturer who submits test results shall also submit a fee of ten dollars (\$10.00) for each
2 test result to cover administrative costs."

3 **SECTION 22.(l)** G.S. 18B-209 reads as rewritten:

4 "**§ 18B-209. Authority to sample spirituous liquor and premixed cocktail products.**

5 Notwithstanding G.S. 18B-201(d) and G.S. 133-32, and any other provision of law, members
6 and employees of the Commission may consume samples of spirituous liquor and premixed
7 cocktail products under consideration for approval for sale in this State, free of charge. No person
8 may consume more than one 0.25 ounce tasting sample of each product for this purpose. Such a
9 sample shall not constitute a gift for purposes of G.S. 133-32. Tastings may be conducted
10 pursuant to this section on property owned by the ABC Commission."

11 **SECTION 22.(m)** G.S. 18B-211 reads as rewritten:

12 "**§ 18B-211. Special purchase allowance limitation.**

13 The Commission shall notify industry members and local boards at least 60 days in advance
14 of the effective date of an approved retail price reduction for a spirituous liquor or premixed
15 cocktail product. The price of the spirituous liquor or the premixed cocktail for local boards shall
16 be reduced only for the 30 days that the approved retail price reduction is in effect."

17 **SECTION 22.(n)** G.S. 18B-300, as amended by Section 17(a) of this act, reads as
18 rewritten:

19 "**§ 18B-300. Purchase, possession and consumption of ~~malt beverages and unfortified~~
20 ~~wine, malt beverages, unfortified wine, and premixed cocktails.~~**

21 (a) Generally. – Except as otherwise provided in this Chapter, the purchase, consumption,
22 and possession of ~~malt beverages and unfortified wine~~ malt beverages, unfortified wine, and
23 premixed cocktails by individuals 21 years old and older for their own use is permitted without
24 restriction.

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

36 (b) Consumption at Off-Premises Establishment. – It shall be unlawful to consume, or
37 for a permittee to allow the consumption of, ~~malt beverages or unfortified wine~~ malt beverages,
38 unfortified wine, or premixed cocktails on any premises having only an off-premises permit for
39 the kind of alcoholic beverage being consumed.

40 (c) Local Ordinance. – A city or county may by ~~ordinance~~ ordinance do any of the
41 following:

- 42 (1) Regulate or prohibit the consumption of ~~malt beverages and unfortified wine~~
43 malt beverages, unfortified wine, and premixed cocktails on the public streets
44 in that city or county by persons who are not occupants of motor vehicles and
45 on property owned, occupied, or controlled by that city or ~~county~~ county.
- 46 (2) Regulate or prohibit the possession of open containers of ~~malt beverages and~~
47 ~~unfortified wine~~ malt beverages, unfortified wine, and premixed cocktails on
48 public streets in that city or county by persons who are not occupants of motor
49 vehicles and on property owned, occupied, or controlled by that city or ~~county~~;
50 and county.

- 1 (3) Regulate or prohibit the possession of ~~malt beverages and unfortified wine~~
 2 malt beverages, unfortified wine, and premixed cocktails on public streets,
 3 alleys, or parking lots which are temporarily closed to regular traffic for
 4 special events.

5 For the purposes of this subsection, an open container means a container whose seal has been
 6 broken or a container other than the manufacturer's unopened original container. As provided by
 7 G.S. 18B-102(a), possession or consumption of alcoholic beverages is unlawful except as
 8 authorized by the ABC law."

9 **SECTION 22.(o)** G.S. 18B-300.1 reads as rewritten:

10 "**§ 18B-300.1. Authorization and regulation of social districts.**

11 ...

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

14 ...

- 15 (2) A permittee holding a winery special event permit, malt beverage special
 16 event permit, ~~or~~ spirituous liquor special event ~~permit~~ permit, or premixed
 17 cocktail special event permit pursuant to G.S. 18B-1114.1, 18B-1114.5, ~~and~~
 18 18B-1114.7, and 18B-1114.9, respectively, may sell and serve products at
 19 special events taking place in a social district.

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

23 **SECTION 22.(p)** G.S. 18B-301(f) reads as rewritten:

24 "(f) Unlawful Possession or Use. – As illustration, but not limitation, of the general
 25 prohibition stated in G.S. 18B-102(a), it shall be unlawful for:

- 26 (1) Any person to consume fortified wine, premixed cocktails, spirituous liquor,
 27 or mixed beverages or to offer such beverages to another person at any of the
 28 following places:

- 29 a. Unless a consumer tasting authorized by G.S. 18B-1114.7 is being
 30 conducted, on the premises of an ABC store.
 31 b. Upon any property used or occupied by a local board.
 32 c. On any public road, street, highway, or sidewalk, unless a consumer
 33 tasting authorized by G.S. 18B-1114.7 or G.S. 18B-1114.9 is being
 34 conducted.

- 35 (2) Any person to display publicly at an athletic contest fortified wine, spirituous
 36 liquor, or mixed ~~beverages;~~ beverages.

- 37 (3) Any person to permit any fortified wine, spirituous liquor, or mixed beverages
 38 to be possessed or consumed upon any premises not authorized by this
 39 ~~Chapter;~~ Chapter.

- 40 (4) Any person to possess or consume any fortified wine, spirituous liquor, or
 41 mixed beverages upon any premises where such possession or consumption is
 42 not authorized by law, or where the person has been forbidden to possess or
 43 consume that beverage by the owner or other person in charge of the
 44 ~~premises;~~ premises.

- 45 (5) Any person to possess on any of the premises described in subsections (a)
 46 through (c) of this section a greater amount of fortified wine or spirituous
 47 liquor than authorized by this ~~Chapter;~~ Chapter.

- 48 (6) Any permittee, other than a mixed beverage or culinary permittee, to possess
 49 spirituous liquor or mixed beverages on ~~his~~ the permittee's licensed premises.

- 50 (7) Any person to possess on his or her person or consume ~~malt beverages or~~
 51 ~~unfortified wine~~ malt beverages, unfortified wine, or premixed cocktails upon

1 any property owned or leased by a local board of education and used by the
 2 local board of education for school purposes. Provided, however, the
 3 prohibition in G.S. 18B-102(a) and this subdivision shall not apply on
 4 property owned by a local board of education which was leased for 99 years
 5 or more to a nonprofit auditorium authority created prior to 1991 whose
 6 governing board is appointed by a city board of aldermen, a county board of
 7 commissioners, or a local school board."

8 **SECTION 22.(q)** G.S. 18B-302 reads as rewritten:

9 **"§ 18B-302. Sale to or purchase by underage persons.**

10 (a) Sale. – It is unlawful for any person to do any of the following:

11 (1) Sell ~~malt beverages or unfortified wine~~ malt beverages, unfortified wine, or
 12 premixed cocktails to anyone less than 21 years old.

13 (2) Sell fortified wine, spirituous liquor, or mixed beverages to anyone less than
 14 21 years old.

15 (a1) Give. – It is unlawful for any person to do any of the following:

16 (1) Give ~~malt beverages or unfortified wine~~ malt beverages, unfortified wine, or
 17 premixed cocktails to anyone less than 21 years old.

18 (2) Give fortified wine, spirituous liquor, or mixed beverages to anyone less than
 19 21 years old.

20 (b) Purchase, Possession, or Consumption. – It is unlawful for a person less than 21 years
 21 old to do any of the following:

22 (1) Purchase, attempt to purchase, or possess ~~malt beverages or unfortified~~
 23 ~~wine~~ malt beverages, unfortified wine, or premixed cocktails.

24 (2) Purchase, attempt to purchase, or possess fortified wine, spirituous liquor, or
 25 mixed beverages.

26 (3) Consume any alcoholic beverage.

27"

28 **SECTION 22.(r)** G.S. 18B-401(a) reads as rewritten:

29 "(a) Opened Containers. – Except as authorized by a common carrier vehicle permit under
 30 G.S. 18B-1001(23), it shall be unlawful for a person to transport ~~fortified wine~~ premixed
 31 cocktails, fortified wine, or spirituous liquor in the passenger area of a motor vehicle in other
 32 than the manufacturer's unopened original container. It shall be unlawful for a person who is
 33 driving a motor vehicle on a highway or public vehicular area to consume in the passenger area
 34 of that vehicle any malt beverage or unfortified wine. Violation of this subsection shall constitute
 35 a Class 3 misdemeanor."

36 **SECTION 22.(s)** G.S. 18B-404 reads as rewritten:

37 **"§ 18B-404. Additional provisions for purchase and transportation by mixed beverage**
 38 **permittees.**

39 ...

40 (e) Electronic Payment. – A local board shall accept electronic payments for any
 41 spirituous liquor and premixed cocktails purchased by a mixed beverages permittee. A local
 42 board may not charge a fee for accepting electronic payments under this subsection. For purposes
 43 of this subsection, the term "electronic payment" means payment by debit card or by electronic
 44 funds transfer as defined in G.S. 105-228.90, but does not include payment by charge card or
 45 credit card.

46 ...

47 (g) Premixed Cocktails. – A mixed beverage permittee may purchase premixed cocktails
 48 from either a premixed cocktail wholesaler permittee licensed under this Chapter or an ABC store
 49 designated as a mixed beverage ABC store. The premixed cocktail wholesaler permittee may
 50 offer delivery services to retail permittees authorized to sell premixed cocktails."

51 **SECTION 22.(t)** G.S. 18B-503(e) reads as rewritten:

1 "(e) Sale Procedure. – The procedure for the sale of seized alcoholic beverages shall be as
 2 follows:

3 (1) Wine. – The sale of unfortified wine or fortified wine shall be by public
 4 auction unless those wines would likely become spoiled or lose value in the
 5 time required to arrange a public auction. If spoilage or loss of value is likely,
 6 the judge ordering the sale or the Commission may authorize sale at the
 7 prevailing wholesale price, as determined by the Commission, to one or more
 8 persons holding the appropriate retail wine permits in the county in which the
 9 wine was seized, or in a neighboring county if there are no such persons in the
 10 county in which the wine was seized.

11 (2) Premixed cocktails. – The sale of premixed cocktails shall be by public
 12 auction unless those premixed cocktails would likely become spoiled or lose
 13 value in the time required to arrange a public auction. If spoilage or loss of
 14 value is likely, the judge ordering the sale or the Commission may authorize
 15 either of the following:

16 a. Sale at the prevailing wholesale price, as determined by the
 17 Commission, to one or more persons holding a retail permit
 18 authorizing the sale of premixed cocktails in the county in which the
 19 premixed cocktails were seized, or in a neighboring county if there are
 20 no such persons in the county in which the premixed cocktails were
 21 seized.

22 b. Sale to the local ABC board serving the city or county in which the
 23 premixed cocktails were seized, or, if there is no local board for that
 24 city or county, to the nearest local board. The sale price shall be at least
 25 ten percent (10%) less than the price the local board would pay for the
 26 same premixed cocktails bought through the State warehouse.

27 (3) Spirituous liquor. – Spirituous liquor may be sold only to the local ABC board
 28 serving the city or county in which the liquor was seized, or, if there is no local
 29 board for that city or county, to the nearest local board. The sale price shall be
 30 at least ten percent (10%) less than the price the local board would pay for the
 31 same liquor bought through the State warehouse."

32 **SECTION 22.(u)** G.S. 18B-600(h) reads as rewritten:

33 "(h) Railroad Passenger Terminus Location Elections. – Notwithstanding any other
 34 provision of this section, any city or town that is the passenger terminus of a rail line that carries
 35 at least 60,000 passengers annually may hold an election authorized by subdivisions (a)(1) and
 36 (a)(2) of this section. Any election held under this subsection shall be for the on-premises sale of
 37 malt beverages and premixed cocktails and the on-premises sale of unfortified wine and premixed
 38 cocktails pursuant to G.S. 18B-602(a)(2) and G.S. 18B-602(d)(2)."

39 **SECTION 22.(v)** G.S. 18B-602 reads as rewritten:

40 **"§ 18B-602. Form of ballots.**

41 (a) Malt Beverage Elections. – Any one or more of the propositions listed below may be
 42 placed on the ballot for a malt beverage election. Each voter may vote on each proposition on the
 43 ballot. The propositions to be used shall be chosen by the governing body or petitioner requesting
 44 the election. The propositions shall read as follows:

45 (1) To permit the "on-premises" and "off-premises" sale of malt
 46 beverages-beverages and premixed cocktails.

47 [] FOR
 48 [] AGAINST

49 (2) To permit the "on-premises" sale only of malt beverages-beverages and
 50 premixed cocktails.

51 [] FOR

- 1 AGAINST
- 2 (3) To permit the "off-premises" sale only of malt ~~beverages~~beverages and
- 3 premixed cocktails.
- 4 FOR
- 5 AGAINST
- 6 (4) To permit the "on-premises" sale of malt beverages and premixed cocktails by
- 7 Class A hotels, motels, and restaurants only; and to permit "off-premises"
- 8 sales by other permittees.
- 9 FOR
- 10 AGAINST

11 (b) Determining Results of Malt Beverage Election. – The kind of ~~malt~~alcoholic

12 beverage sales described in each proposition that receives a majority of votes "FOR" shall be

13 allowed. If propositions (2) and (4) are both on the ballot and (2) receives a majority of votes

14 "FOR," then sales shall be permitted according to that proposition regardless of the vote on (4).

15 If one of the propositions receiving a majority of votes "FOR" is proposition (1), then the kind

16 of sales described in that proposition shall be allowed regardless of the vote on any other

17 proposition at that election.

18 ...

19 (d) Unfortified Wine Elections. – Any one or more of the propositions listed below may

20 be placed on the ballot for an unfortified wine election. Each voter may vote on each proposition

21 on the ballot. The propositions to be used shall be chosen by the governing body or petitioner

22 requesting the election. The propositions shall read as follows:

- 23 (1) To permit the "on-premises" and "off-premises" sale of unfortified ~~wine~~wine
- 24 and premixed cocktails.
- 25 FOR
- 26 AGAINST
- 27 (2) To permit the "on-premises" sale only of unfortified ~~wine~~wine and premixed
- 28 cocktails.
- 29 FOR
- 30 AGAINST
- 31 (3) To permit the "off-premises" sale only of unfortified ~~wine~~wine and premixed
- 32 cocktails.
- 33 FOR
- 34 AGAINST

35 (e) Determining Results of Unfortified Wine Election. – The kind of ~~unfortified wine~~

36 alcoholic beverage sales described in each proposition that receives a majority of votes "FOR"

37 shall be allowed. If one of the propositions receiving a majority of votes "FOR" is proposition

38 (1), then the kind of sales described in that proposition shall be allowed, regardless of the vote

39 on any other proposition at that election.

40 ...

41 (h) Mixed Beverage Elections. – The ballot for a mixed beverage election shall state the

42 proposition as follows:

43 To permit the sale of mixed beverages in hotels, restaurants, private clubs, community

44 theatres, and convention centers and the "on-premises" and "off-premises" sale of ~~malt beverages~~

45 and unfortified wine ~~malt beverages, unfortified wine, and premixed cocktails~~ in qualified

46 establishments.

- 47 FOR
- 48 AGAINST"

49 **SECTION 22.(w)** G.S. 18B-603, as amended by Section 17(b) of this act, reads as

50 rewritten:

51 "**§ 18B-603. Effect of alcoholic beverage elections on issuance of permits.**

1 ...
2 (d) Mixed Beverage Elections. – If a mixed beverage election is held under
3 G.S. 18B-602(h) and the sale of mixed beverages is approved, the Commission may issue permits
4 to qualified persons and establishments in the jurisdiction that held the election as follows:

5 ...
6 (3a) The Commission may issue ~~either~~any of the following permits in any
7 jurisdiction that has voted to permit the sale of mixed beverages, regardless of
8 any other local act concerning sales of those kinds of alcoholic beverages:

- 9 a. On-premises malt beverage permits to any establishment that meets
10 the requirements of G.S. 18B-1001(1).
- 11 b. On-premises unfortified wine permits to any establishment that meets
12 the requirements of G.S. 18B-1001(3).
- 13 c. On-premises fortified wine permits to any establishment that meets the
14 requirements of G.S. 18B-1001(5).

15 ...
16 (d2) If a county or city holds a mixed beverage election and an ABC store election at the
17 same time and the voters approve the sale of mixed beverages but do not approve the
18 establishment of an ABC store, the Commission may issue mixed beverages permits in that
19 county or city.

20 ...
21 (h) Permits Based on Existing Permits. – In any county which borders on the Atlantic
22 Ocean and where (i) the sale of malt beverage on and off premises, the sale of unfortified wine
23 on and off premises, the sale of mixed beverages, and the operation of an ABC system has been
24 allowed in at least six cities in the county, or in any county adjacent to that county in which an
25 ABC system has been allowed, or (ii) the sale of malt beverage on and off premises, the sale of
26 unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC
27 system has been allowed in at least eight cities in the county, the Commission may issue permits
28 to sports clubs as defined in G.S. 18B-1000(8) throughout the county.

29 The Commission may issue any of the following permits:

- 30 (1) On and Off Premises Malt ~~Beverage;~~Beverage.
- 31 (2) On and Off Premises Unfortified ~~Wine;~~Wine.
- 32 (3) On and Off Premises Fortified ~~Wine;~~or Wine.
- 33 (4) Mixed Beverages.

34 The Commission may also issue on-premises malt beverage, unfortified wine, fortified ~~wine~~
35 wine, and mixed beverages permits to a sports club located in a county adjacent to any county
36 that has approved the sale of mixed beverages pursuant to G.S. 18B-603(d1), if the county in
37 which the sports club is located borders another state and has at least one city that has approved
38 the sale of mixed beverages. Sports clubs holding mixed beverages permits shall purchase their
39 spirituous liquor at the nearest ABC system store that is located in the county. Sports clubs
40 holding malt beverage, unfortified wine, fortified wine, or mixed beverages permits may
41 purchase premixed cocktails from a premixed cocktail wholesaler permittee licensed under this
42 Chapter or at the nearest ABC system store that is located in the county.

43 The Commission may further issue on-premises malt beverage and on-premises unfortified
44 wine permits to a sports club located in a county bordering on another state that is adjacent to
45 any county in which permits were issued pursuant to this subsection prior to August 1, 1993. The
46 sports clubs must be located in the unincorporated areas of a county, in which the sale of malt
47 beverages and unfortified wine is not permitted, and where there are six or more municipalities
48 in that county where the sale of malt beverages and unfortified wine is permitted.

49 (i) Service Business Permits. – The Commission may only issue service business permits
50 provided for in G.S. 18B-1001(26) to qualified persons and establishments located within a

1 jurisdiction in which on-premises malt beverage permits or on-premises unfortified wine permits
2 may be issued, subject to the following restrictions:

- 3 (1) If on-premises malt beverage permits, but not on-premises unfortified wine
4 permits, may be issued in the jurisdiction, the service business permittee may
5 furnish only malt beverages and premixed cocktails to customers.
- 6 (2) If on-premises unfortified wine permits, but not on-premises malt beverage
7 permits, may be issued in the jurisdiction, the service business permittee may
8 furnish only unfortified wine and premixed cocktails to customers.
- 9 (3) If on-premises malt beverage permits and on-premises unfortified wine
10 permits may be issued in the jurisdiction, the service business permittee may
11 furnish malt ~~beverages~~ beverages, premixed cocktails, and unfortified wine to
12 customers."

13 **SECTION 22.(x)** G.S. 18B-701(a) reads as rewritten:

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

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

- 23 (1a) Contract with an independent contractor to provide delivery of its spirituous
24 liquor and premixed cocktails from the local board's warehouse to the local
25 board's ABC stores, provided all of the following conditions are met:

26 ...

- 27 e. The independent contractor contractually assumes liability for any
28 damage, breakage, or theft of the ~~spirituous liquor~~ alcoholic beverages
29 to be delivered from the time possession is taken by the independent
30 contractor from the local board until delivery of the ~~spirituous liquor~~
31 alcoholic beverages to the ABC store is acknowledged in writing by
32 the manager or an employee of that ABC store.

33"

34 **SECTION 22.(y)** G.S. 18B-707 reads as rewritten:

35 "**§ 18B-707. Authority to sample spirituous liquor and premixed cocktail products.**

36 Notwithstanding G.S. 18B-201(d) and G.S. 133-32, and any other provision of law, members
37 of a local board and general managers or store managers of ABC stores may consume samples
38 of spirituous liquor and premixed cocktail products under consideration for approval for sale by
39 the local board, free of charge. No person may consume more than one 0.25 ounce tasting sample
40 of each product for this purpose. Such a sample shall not constitute a gift for purposes of
41 G.S. 133-32. Tastings may be conducted pursuant to this section on property owned by the local
42 board but may not be conducted in publicly accessible areas of any ABC store."

43 **SECTION 22.(z)** G.S. 18B-708 reads as rewritten:

44 "**§ 18B-708. Sale of certain spirituous liquors and premixed cocktails below distiller's price.**

45 (a) Notwithstanding ~~G.S. 18B-804(b)~~, G.S. 18B-804(b) and (e), the Commission may
46 authorize a local board to sell certain spirituous liquors and premixed cocktails below the price
47 paid by the local board for the ~~spirituous liquors, alcoholic beverages,~~
48 charge and surcharge, upon request from the local board. Before allowing the local board to sell
49 spirituous liquor or premixed cocktails below the price paid by the local board, the Commission
50 shall verify that allowing the price reduction will not cause the local board to operate at an annual

1 net loss or, if the local board was already operating at a loss, will not cause the local board to
2 incur additional annual net revenue losses.

3"

4 **SECTION 22.(aa)** G.S. 18B-800, as amended by Section 4(a) of this act, reads as
5 rewritten:

6 **"§ 18B-800. Sale of alcoholic beverages in ABC stores.**

7 (a) Spirituous Liquor. – Except as provided in Articles 10 and 11 of this Chapter,
8 spirituous liquor may be sold only in ABC stores operated by local boards. For purposes of this
9 subsection, the term "sold only in ABC stores operated by local boards" includes online orders
10 placed in accordance with subsection (c3) of this section.

11 (a1) Premixed Cocktails. – In addition to spirituous liquor, ABC stores may sell premixed
12 cocktails.

13 (b) Fortified Wine. – In addition to spirituous ~~liquor~~, liquor and premixed cocktails, ABC
14 stores may sell fortified wine. ABC stores may also sell wine products, irrespective of alcohol
15 content by volume, which were classified as fortified wine by the ABC Commission prior to July
16 7, 2004.

17 (b1) Consumer Specialty Items. – ABC stores may sell branded consumer specialty items
18 such as bottle or can openers, cork screws, muddlers, ashtrays, shopping bags, individual can
19 coolers, drinking glasses, clothing, or key chains that are packaged with a spirituous liquor or
20 premixed cocktail product. A branded consumer specialty item shall not include a tobacco, vapor,
21 or hemp product or tobacco, vapor, or hemp paraphernalia. The Commission may approve the
22 retail price for a spirituous liquor or premixed cocktail product packaged by the producer with
23 one or more branded specialty items at a different price than an individual bottle or container
24 of the same spirituous liquor or premixed cocktail product. The local board shall not remove a
25 spirituous liquor or premixed cocktail product packaged by the producer with one or more
26 branded specialty items from the package.

27 ...

28 (c2) Orders of Distillery Products by Mixed Beverages Permittees. – A local board shall
29 fulfill an order by a mixed beverages permittee for individual bottles or cases of spirituous liquor
30 and premixed cocktails produced by a distillery that are listed as a regular code item for sale in
31 the State. If a local board cannot fulfill an order of a mixed beverages permittee for individual
32 bottles or cases of spirituous liquor or premixed cocktails produced by a distillery that are listed
33 as a regular code item for sale in the State because the product ordered is not in the local board's
34 stock inventory or the order cannot otherwise be fulfilled within the time period requested by the
35 permittee, either of the following shall occur:

- 36 (1) The permittee may request to have an eligible distillery that produces the
37 ordered product ship the product directly to the local board. The local board
38 shall notify the Commission within 48 hours of the request for the order and
39 request authorization for direct shipment. The Commission shall then
40 determine if the eligible distillery desires to directly ship the ordered product
41 directly to the local board, and if so, the Commission shall authorize the
42 eligible distillery to ship the spirituous liquor or premixed cocktails ordered
43 to the local board for the fulfillment of the mixed beverages permittee's order.
44 Merchandise authorized to be shipped by direct shipment under this
45 subdivision shall be consigned by the State ABC warehouse to the distiller's
46 account in care of the local board. The local board shall acknowledge receipt
47 of the merchandise on the shipping documents and forward them to the State
48 ABC warehouse for processing through the accounting system as though the
49 merchandise were shipped from the State ABC warehouse. As used in this
50 subdivision, an "eligible distillery" is a distillery (i) that sells, to consumers at
51 the distillery, to exporters, to local boards, and to private or public agencies or

1 establishments of other states or nations, fewer than 10,000 proof gallons of
 2 in-house brand spirituous liquors and premixed cocktails distilled or produced
 3 and manufactured by it at the permit holder's distillery per year, and (ii) that
 4 is either the holder of a distillery permit pursuant to G.S. 18B-1105 or is a
 5 business located outside the State that is licensed or permitted to manufacture
 6 spirituous liquor and premixed cocktails in the jurisdiction where the business
 7 is located and whose products are lawfully sold in this State.

8 (2) If the permittee does not request direct shipment pursuant to subdivision (1)
 9 of this subsection, the local board shall provide a waiver to be obtained by the
 10 permittee in person at the ABC store with the portion of the permittee's order
 11 that the local board was able to fulfill, if any. The waiver shall authorize the
 12 permittee to purchase the product from any other ABC store in the State that
 13 is designated as a mixed beverage ABC store pursuant to G.S. 18B-404(c).
 14 The Commission shall create a standard waiver form to include the name of
 15 the permittee and the permittee's establishment, the permit number of the
 16 permitted establishment, the name and code item of the ordered product, the
 17 date on which the local board was unable to fulfill the order, and the signature
 18 of a representative of the local board that could not fulfill the order or the
 19 manager of the ABC store that provided the waiver form. The waiver shall be
 20 valid for 90 calendar days from the date of issuance. The permittee may
 21 purchase the ordered product as provided on the waiver at any other ABC
 22 store in the State that is designated as a mixed beverage ABC store pursuant
 23 to G.S. 18B-404(c) upon presentation and relinquishment of the waiver at the
 24 ABC store.

25"

26 **SECTION 22.(bb)** G.S. 18B-801(d) reads as rewritten:

27 "(d) Insolvent ABC System. – If an ABC system is insolvent, the local board may apply
 28 to the Commission for an order to close the system. Upon receipt of an application, or upon its
 29 own motion, the Commission shall investigate the system, and if it finds that further operation of
 30 the ABC stores will not be profitable, it may order the system closed. If the Commission orders
 31 a local system to close, the Commission ~~may~~may do any of the following:

- 32 (1) After consultation with the local board, its creditors, and other interested
 33 parties, schedule a phase out of the system's business ~~activities;~~activities.
- 34 (2) Represent the local board in negotiations with creditors and other interested
 35 ~~parties;~~parties.
- 36 (3) Require an accounting or auditing of the local ~~system;~~system.
- 37 (4) Take possession or arrange for the disposition of any liquor or premixed
 38 cocktails for which the local board has not ~~paid;~~paid.
- 39 (5) Apply to the Superior Court to be appointed as receiver for the local board
 40 with all powers and duties of a receiver for a corporation under Article 38 of
 41 Chapter 1 of the General Statutes, except that the Commission shall not be
 42 required to post the bond required by ~~G.S. 1-504;~~ or G.S. 1-504.
- 43 (6) Take any other reasonable steps to promote an orderly closing of the system."

44 **SECTION 22.(cc)** G.S. 18B-804 reads as rewritten:

45 **"§ 18B-804. Alcoholic beverage pricing.**

46 (a) Uniform Price of Spirituous Liquor. – The retail price of spirituous liquor sold in ABC
 47 stores and permitted distilleries shall be uniform throughout the State, unless otherwise provided
 48 by the ABC law. The retail price of premixed cocktails sold in ABC stores shall be uniform
 49 throughout the State.

50 (b) Sale Price of Spirituous Liquor. – The sale of spirituous liquor, including antique
 51 spirituous liquor, sold at the uniform State price shall consist of the following components:

- 1 ...
 2 (8) If the spirituous liquor is sold to a mixed beverage permittee or mobile bar
 3 services permittee for resale in mixed beverages, a charge of twenty dollars
 4 (\$20.00) on each four liters and a proportional sum on lesser quantities. ~~This~~
 5 ~~subdivision shall not apply to premixed cocktails sold to a mixed beverage~~
 6 ~~permittee in a closed package for resale in or from the closed package, and a~~
 7 ~~mixed beverages tax stamp shall not be required on these closed packages.~~
 8 (9) If the spirituous liquor is sold to a guest room cabinet permittee for resale, a
 9 charge of twenty dollars (\$20.00) on each four liters and a proportional sum
 10 on lesser quantities.

11 ...
 12 (e) Sale Price of Premixed Cocktails. – The retail price of premixed cocktails sold in
 13 ABC stores shall be established by the Commission and shall be uniform throughout the State.
 14 This price shall not affect the price of premixed cocktails sold outside of ABC stores. The sale
 15 of premixed cocktails sold at the uniform State price in ABC stores shall consist of the following
 16 components:

- 17 (1) The distiller's price.
 18 (2) The freight and bailment charges of the State warehouse as determined by the
 19 Commission.
 20 (3) A markup for local boards as determined by the Commission.
 21 (4) The tax levied under G.S. 105-113.80(d).
 22 (5) An additional markup for local boards equal to three and one-half percent (3
 23 1/2%) of the sum of subdivisions (1), (2), and (3) of this subsection.
 24 (6) A charge of one cent (1¢) on each bottle containing 50 milliliters or less and
 25 five cents (5¢) on each bottle containing more than 50 milliliters. For any
 26 nonbottled product, a charge of one cent (1¢) on each stock keeping unit
 27 containing not more than 50 milliliters and five cents (5¢) on each stock
 28 keeping unit containing more than 50 milliliters.
 29 (7) The bailment surcharge.
 30 (8) An additional charge for local boards of one cent (1¢) on each bottle
 31 containing 50 milliliters or less and five cents (5¢) on each bottle containing
 32 more than 50 milliliters. For any nonbottled product, a charge of one cent (1¢)
 33 on each stock keeping unit containing not more than 50 milliliters and five
 34 cents (5¢) on each stock keeping unit containing more than 50 milliliters.
 35 (9) A rounding adjustment, the formula of which may be determined by the
 36 Commission, so that the sale price will be divisible by five."

37 **SECTION 22.(dd)** G.S. 18B-805 reads as rewritten:

38 **"§ 18B-805. Distribution of revenue.**

- 39 ...
 40 (b) Primary Distribution. – Before making any other distribution, a local board shall first
 41 pay the following from its gross receipts:
 42 ...
 43 (4) Each month the local board shall pay to the county commissioners of the
 44 county where the ~~charge is~~ charges are collected the proceeds from the ~~charge~~
 45 ~~charges~~ required by ~~G.S. 18B-804(b)(6),~~ G.S. 18B-804(b)(6) and (e)(6), to be
 46 spent by the county commissioners for the purposes stated in subsection (h)
 47 of this section.
 48 (c) Other Statutory Distributions. – After making the distributions required by subsection
 49 (b), a local board shall make the following quarterly distributions from the remaining gross
 50 receipts.

(1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 ½%) markup provided for in G.S. 18B-804(b)(5) and (e)(5) and the ~~charge charges~~ provided for in ~~G.S. 18B-804(b)(6b)~~, G.S. 18B-804(b)(6b) and (e)(8), to be distributed as part of the remaining gross receipts under subsection (e) of this section.

...

(i) Calculation of Statutory Distributions When Liquor or Premixed Cocktails Sold at Less Than Uniform Price. – If a local board sells liquor or premixed cocktails at less than the uniform State price, distributions required by subsections (b) and (c) shall be calculated as though the liquor ~~was or~~ premixed cocktails were sold at the uniform price."

SECTION 22.(ee) G.S. 18B-900 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:

...

(2) Be a resident of North Carolina, unless any of the following apply:

...

c. The person is applying for a nonresident malt beverage vendor permit, a nonresident wine vendor permit, a nonresident premixed cocktail vendor permit, a nonresident spirituous liquor vendor permit, or a vendor representative permit.

...

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.

...

(d) Manager of Off-Premises Establishment. – Although the manager of an establishment operated by a corporation and holding off-premises permits for malt beverages, unfortified wine, or fortified wine is not otherwise required to meet the requirements of this section, the manager must be at least 19 years old and must meet the requirements of subdivisions (3), (4), (5) and (6) of subsection (a) of this section.

...."

SECTION 22.(ff) G.S. 18B-902, as amended by Section 17(c) of this act, 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:

...

(20) Malt beverage importer permit – \$300.00.

(21) Malt beverage wholesaler permit – \$300.00.

(21a) Premixed cocktail wholesaler permit – \$300.00.

...

(25) Nonresident malt beverage vendor permit – \$100.00.

(26) Nonresident wine vendor permit – \$100.00.

(26a) Nonresident premixed cocktail vendor permit – \$100.00.

...

(44) Spirituous liquor special event permit – \$200.00.

(44a) Premixed cocktail special event permit – \$200.00.

...."

1 **SECTION 22.(gg)** G.S. 18B-903, as amended by Section 17(d) of this act, reads as
2 rewritten:

3 **"§ 18B-903. Duration of permit; renewal and transfer.**

4 ...

5 (c) Change in Ownership. –

6 ...

7 (2) Notwithstanding subsection (e) of this section, any person who through
8 contract, lease, management agreement, or change of ownership or transfer of
9 business as provided in subdivision (1) of this subsection becomes lawfully
10 entitled to use and control of the premises of an establishment that holds
11 permits immediately prior to such change of ownership may continue to
12 operate the establishment, as successor to the prior permittee, to the same
13 extent as the predecessor permittee until the person receives a temporary or
14 new permit, including purchasing malt beverages, unfortified wine, premixed
15 cocktails, or fortified wine to be resold for on-premises or off-premises
16 consumption, or spirituous liquor for use in mixed beverages sold by the
17 establishment, as applicable under the permit, subject to the following
18 limitations:

19"

20 **SECTION 22.(hh)** G.S. 18B-1001, as amended by Sections 2, 12(b), 17(f), 23(a),
21 and 24 of this act, reads as rewritten:

22 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

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

25 (1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
26 authorizes (i) the retail sale of malt beverages for consumption on the
27 premises, either alone or mixed with other beverages, (ii) the retail sale of malt
28 beverages in the manufacturer's original container for consumption off the
29 premises, ~~and~~ (iii) the retail sale of malt beverages in a cleaned and sanitized
30 container that is filled or refilled and sealed for consumption off the premises
31 and that identifies the permittee and the date the container was filled or
32 ~~refilled.~~ refilled, and (iv) the retail sale of premixed cocktails in the
33 manufacturer's original container for consumption on or off the premises. The
34 permit also authorizes the permittee to transfer malt ~~beverages,~~ beverages and
35 premixed cocktails, not more than four times per calendar year, to another
36 on-premises malt beverage permittee that is under common ownership or
37 control as the transferor. Except as authorized by this subdivision, transfers of
38 malt beverages or premixed cocktails by on-premises malt beverage
39 permittees, purchases of malt beverages or premixed cocktails by a retail
40 permittee from another retail permittee for the purpose of resale, and sales of
41 malt beverages or premixed cocktails by a retail permittee to another retail
42 permittee for the purpose of resale are unlawful. In addition, a particular brand
43 of malt beverages or premixed cocktails may be transferred only if both the
44 transferor and transferee are located within the territory designated between
45 the brewery or distiller and the wholesaler on file with the Commission. Prior
46 to or contemporaneous with any such transfer, the transferor shall notify each
47 wholesaler who distributes the transferred product of the transfer. The notice
48 shall be in writing or verifiable electronic format and shall identify the
49 transferor and transferee, the date of the transfer, quantity, and items
50 transferred. It also authorizes the holder of the permit to ship malt beverages

1 or premixed cocktails in closed containers to individual purchasers inside and
2 outside the State. The permit may be issued for any of the following:

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

17 (2) Off-Premises Malt Beverage Permit. – An off-premises malt beverage permit
18 authorizes (i) the retail sale of malt beverages or premixed cocktails in the
19 manufacturer's original container for consumption off the premises, (ii) the
20 retail sale of malt beverages in a cleaned and sanitized container that is filled
21 or refilled and sealed for consumption off the premises and that identifies the
22 permittee and the date the container was filled or refilled, and (iii) the holder
23 of the permit to ship malt beverages or premixed cocktails in closed containers
24 to individual purchasers inside and outside the State. The permit also
25 authorizes the permittee to transfer malt ~~beverages, beverages and premixed~~
26 cocktails, not more than four times per calendar year, to another off-premises
27 malt beverage permittee that is under common ownership or control as the
28 transferor. Except as authorized by this subdivision, transfers of malt
29 beverages or premixed cocktails by off-premises malt beverage permittees,
30 purchases of malt beverages or premixed cocktails by a retail permittee from
31 another retail permittee for the purpose of resale, and sales of malt beverages
32 or premixed cocktails by a retail permittee to another retail permittee for the
33 purpose of resale are unlawful. In addition, a particular brand of malt
34 beverages or premixed cocktails may be transferred only if both the transferor
35 and transferee are located within the territory designated between the brewery
36 or distiller and the wholesaler on file with the Commission. Prior to or
37 contemporaneous with any such transfer, the transferor shall notify each
38 wholesaler who distributes the transferred product of the transfer. The notice
39 shall be in writing or verifiable electronic format and shall identify the
40 transferor and transferee, the date of the transfer, quantity, and items
41 transferred. The permit may be issued for any of the following:

- 42 a. Restaurants.
- 43 b. Hotels.
- 44 c. Eating establishments.
- 45 d. Food businesses.
- 46 e. Retail businesses.
- 47 f. The holder of a brewing, distillation, and fermentation course
48 authorization under G.S. 18B-1114.6. A school obtaining a permit
49 under this subdivision is authorized to sell malt beverages
50 manufactured during its brewing, distillation, and fermentation
51 program at one noncampus location in a county where the permittee

1 holds and offers classes on a regular full-time basis in a facility owned
2 by the permittee.

- 3 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
4 permit authorizes (i) the retail sale of unfortified wine for consumption on the
5 premises, either alone or mixed with other beverages, (ii) the retail sale of
6 unfortified wine in the manufacturer's original container for consumption off
7 the premises, (iii) the retail sale of unfortified wine dispensed from a tap
8 connected to a pressurized container utilizing carbon dioxide or similar gas
9 into a cleaned and sanitized container that is filled or refilled and sealed for
10 consumption off the premises and that identifies the permittee and the date the
11 container was filled or refilled, ~~and~~ (iv) wine tastings conducted at a
12 consumer's private residence or a location not holding a permit under this
13 section where consumers are educated about selection, serving, and storing of
14 wine by the permittee or the permittee's employee or agent utilizing wine from
15 the permit holder's inventory and consumers may purchase wine for future
16 delivery or pick up at the permittee's permitted ~~premises~~, ~~premises~~, and (v) the
17 retail sale of premixed cocktails in the manufacturer's original container for
18 consumption on or off the premises. The permit also authorizes the permittee
19 to transfer unfortified ~~wine~~, wine or premixed cocktails, not more than four
20 times per calendar year, to another on-premises unfortified wine permittee that
21 is under common ownership or control as the transferor. Except as authorized
22 by this subdivision, transfers of wine or premixed cocktails by on-premises
23 unfortified wine permittees, purchases of wine or premixed cocktails by a
24 retail permittee from another retail permittee for the purpose of resale, and
25 sale of wine or premixed cocktails by a retail permittee to another retail
26 permittee for the purpose of resale are unlawful. In addition, a particular brand
27 of wine or premixed cocktails may be transferred only if both the transferor
28 and transferee are located within the territory designated between the winery
29 or distiller and the wholesaler on file with the Commission. Prior to or
30 contemporaneous with any such transfer, the transferor shall notify each
31 wholesaler who distributes the transferred product of the transfer. The notice
32 shall be in writing or verifiable electronic format and shall identify the
33 transferor and transferee, the date of the transfer, quantity, and items
34 transferred. The holder of the permit is authorized to ship unfortified wine or
35 premixed cocktails in closed containers to individual purchasers inside and
36 outside the State. Orders received by a winery by telephone, internet, mail,
37 facsimile, or other off-premises means of communication shall be shipped
38 pursuant to a wine shipper permit and not pursuant to this subdivision. The
39 permit may be issued for any of the following:

- 40 a. Restaurants.
- 41 b. Hotels.
- 42 c. Eating establishments.
- 43 d. Private clubs.
- 44 e. Convention centers.
- 45 f. Cooking schools.
- 46 g. Community theatres.
- 47 h. Wineries.
- 48 i. Wine producers.
- 49 j. Retail businesses.
- 50 k. Sports and entertainment venues.
- 51 l. Bars.

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

2 n. Breweries.

3 Additionally, an on-premises unfortified wine permit authorizes a permittee
4 that is a restaurant, eating establishment, hotel, private club, bar, brewery,
5 winery, or wine producer to sell at retail single-serving unfortified wine drinks
6 for consumption off the premises, including delivery by the permittee or a
7 delivery service permittee. Single-serving unfortified wine drinks sold for
8 consumption off the premises must be sold with food and shall be packaged
9 in a container with a secure lid or cap and in a manner designed to prevent
10 consumption without removal of the lid or cap. The container shall be no
11 greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the
12 transportation of single-serving unfortified wine drinks in a motor vehicle
13 shall not be unlawful if the container is an unopened manufacturer's original
14 container or is transported in a locked container, in the trunk, or in the area
15 behind the last upright seat in a motor vehicle not equipped with a trunk.
16 Notwithstanding G.S. 18B-1010, the sale of more than two single-serving
17 unfortified wine drinks at one time shall not be unlawful if the single-serving
18 unfortified wine drinks are sold for delivery or consumption off the permittee's
19 premises. No single-serving unfortified wine ~~by the~~ drink ordered for
20 off-premises consumption shall be provided to any person other than the
21 purchaser of the single-serving unfortified wine drink, except that in the case
22 of delivery, the delivery service permittee through its employees or agents
23 may provide the single-serving unfortified wine drink to a person other than
24 the purchaser if the permittee or the permittee's employees or agents verify
25 that the person is over 21 years of age using age verification software requiring
26 the recipient to provide a form of photographic identification authorized in
27 G.S. 18B-302(d)(1).

- 28 (4) Off-Premises Unfortified Wine Permit. – An off-premises unfortified wine
29 permit authorizes (i) the retail sale of unfortified wine or premixed cocktails
30 in the manufacturer's original container for consumption off the premises, (ii)
31 the retail sale of unfortified wine dispensed from a tap connected to a
32 pressurized container utilizing carbon dioxide or similar gas into a cleaned
33 and sanitized container that is filled or refilled and sealed for consumption off
34 the premises and that identifies the permittee and the date the container was
35 filled or refilled, and (iii) the holder of the permit to ship unfortified wine or
36 premixed cocktails in closed containers to individual purchasers inside and
37 outside the State. The permit may be issued for retail businesses. The permit
38 also authorizes the permittee to transfer unfortified ~~wine, wine or premixed~~
39 cocktails, not more than four times per calendar year, to another off-premises
40 unfortified wine permittee that is under common ownership or control as the
41 transferor. Except as authorized by this subdivision, transfers of wine or
42 premixed cocktails by off-premises unfortified wine permittees, purchases of
43 wine or premixed cocktails by a retail permittee from another retail permittee
44 for the purpose of resale, and sale of wine or premixed cocktails by a retail
45 permittee to another retail permittee for the purpose of resale are unlawful. In
46 addition, a particular brand of wine or premixed cocktails may be transferred
47 only if both the transferor and transferee are located within the territory
48 designated between the winery or distiller and the wholesaler on file with the
49 Commission. Prior to or contemporaneous with any such transfer, the
50 transferor shall notify each wholesaler who distributes the transferred product
51 of the transfer. The notice shall be in writing or verifiable electronic format

1 and shall identify the transferor and transferee, the date of the transfer,
2 quantity, and items transferred. The permit may also be issued to the holder
3 of a viticulture/enology course authorization under G.S. 18B-1114.4. A
4 school obtaining a permit under this subdivision is authorized to sell wines
5 manufactured during its viticulture/enology program at one non-campus
6 location in a county where the permittee holds and offers classes on a regular
7 full-time basis in a facility owned by the permittee. The permit may also be
8 issued for a winery or a wine producer for sale of its own unfortified wine
9 during hours when the winery or wine producer's premises is open to the
10 public, subject to any local ordinance adopted pursuant to G.S. 18B-1004(d)
11 concerning hours for the retail sale of unfortified wine. A winery obtaining a
12 permit under this subdivision is authorized to sell wine manufactured by the
13 winery at one additional location in the county under the same conditions
14 specified in G.S. 18B-1101(5) for the sale of wine at the winery; provided,
15 however, that no other alcohol sales shall be authorized at the additional
16 location. Orders received by a winery by telephone, internet, mail, facsimile,
17 or other off-premises means of communication shall be shipped pursuant to a
18 wine shipper permit and not pursuant to this subdivision.

- 19 (5) On-Premises Fortified Wine Permit. – An on-premises fortified wine permit
20 authorizes (i) the retail sale of fortified wine for consumption on the premises,
21 either alone or mixed with other beverages, and (ii) the retail sale of fortified
22 wine in the manufacturer's original container for consumption off the
23 premises. ~~premises, and (iii) the retail sale of premixed cocktails in the~~
24 manufacturer's original container for consumption on or off the premises. The
25 permit also authorizes the permittee to transfer fortified ~~wine, wine or~~
26 premixed cocktails, not more than four times per calendar year, to another
27 on-premises fortified wine permittee that is under common ownership or
28 control as the transferor. Except as authorized by this subdivision, transfers of
29 wine or premixed cocktails by on-premises fortified wine permittees,
30 purchases of wine or premixed cocktails by a retail permittee from another
31 retail permittee for the purpose of resale, and sale of wine or premixed
32 cocktails by a retail permittee to another retail permittee for the purpose of
33 resale are unlawful. In addition, a particular brand of wine or premixed
34 cocktails may be transferred only if both the transferor and transferee are
35 located within the territory designated between the winery or distiller and the
36 wholesaler on file with the Commission. Prior to or contemporaneous with
37 any such transfer, the transferor shall notify each wholesaler who distributes
38 the transferred product of the transfer. The notice shall be in writing or
39 verifiable electronic format and shall identify the transferor and transferee, the
40 date of the transfer, quantity, and items transferred. The holder of the permit
41 is authorized to ship fortified wine or premixed cocktails in closed containers
42 to individual purchasers inside and outside the State. Orders received by a
43 winery by telephone, internet, mail, facsimile, or other off-premises means of
44 communication shall be shipped pursuant to a wine shipper permit and not
45 pursuant to this subdivision. The permit may be issued for any of the
46 following:
47 a. Restaurants.
48 b. Hotels.
49 c. Private clubs.
50 d. Community theatres.
51 e. Wineries.

- 1 f. Convention centers.
2 g. Bars.
3 h. The holder of a distillery permit authorized under G.S. 18B-1105.
4 i. Sports and entertainment venues.
5 j. Breweries.

6 Additionally, an on-premises fortified wine permit authorizes a permittee that
7 is a restaurant, hotel, private club, bar, brewery, or winery to sell at retail
8 single-serving fortified wine drinks for consumption off the premises,
9 including delivery by the permittee or a delivery service permittee.
10 Single-serving fortified wine drinks sold for consumption off the premises
11 must be sold with food and shall be packaged in a container with a secure lid
12 or cap and in a manner designed to prevent consumption without removal of
13 the lid or cap. The container shall be no greater than 24 fluid ounces. In
14 accordance with G.S. 20-138.7, the transportation of single-serving fortified
15 wine drinks in a motor vehicle shall not be unlawful if the container is an
16 unopened manufacturer's original container or is transported in a locked
17 container, in the trunk, or in the area behind the last upright seat in a motor
18 vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale
19 of more than two single-serving fortified wine drinks at one time shall not be
20 unlawful if the single-serving fortified wine drinks are sold for delivery or
21 consumption off the permittee's premises. No single-serving fortified wine by
22 the drink ordered for off-premises consumption shall be provided to any
23 person other than the purchaser of the single-serving fortified wine drink,
24 except that in the case of delivery, the delivery service permittee through its
25 employees or agents may provide the single-serving fortified wine drink to a
26 person other than the purchaser if the permittee or the permittee's employees
27 or agents verify that the person is over 21 years of age using age verification
28 software requiring the recipient to provide a form of photographic
29 identification authorized in G.S. 18B-302(d)(1).

- 30 (6) Off-Premises Fortified Wine Permit. – An off-premises fortified wine permit
31 authorizes the retail sale of fortified wine or premixed cocktails in the
32 manufacturer's original container for consumption off the premises and it
33 authorizes the holder of the permit to ship fortified wine or premixed cocktails
34 in closed containers to individual purchasers inside and outside the State. The
35 permit may be issued for food businesses. The permit may also be issued for
36 a winery for sale of its own fortified wine. Orders received by a winery by
37 telephone, internet, mail, facsimile, or other off-premises means of
38 communication shall be shipped pursuant to a wine shipper permit and not
39 pursuant to this subdivision. The permit also authorizes the permittee to
40 transfer fortified ~~wine, wine or premixed cocktails~~, not more than four times
41 per calendar year, to another off-premises fortified wine permittee that is
42 under common ownership or control as the transferor. Except as authorized
43 by this subdivision, transfers of wine or premixed cocktails by off-premises
44 fortified wine permittees, purchases of wine or premixed cocktails by a retail
45 permittee from another retail permittee for the purpose of resale, and sale of
46 wine or premixed cocktails by a retail permittee to another retail permittee for
47 the purpose of resale are unlawful. In addition, a particular brand of wine or
48 premixed cocktails may be transferred only if both the transferor and
49 transferee are located within the territory designated between the winery or
50 distiller and the wholesaler on file with the Commission. Prior to or
51 contemporaneous with any such transfer, the transferor shall notify each

- 1 wholesaler who distributes the transferred product of the transfer. The notice
2 shall be in writing or verifiable electronic format and shall identify the
3 transferor and transferee, the date of the transfer, quantity, and items
4 transferred.
- 5 (7) Brown-Bagging Permit. – A brown-bagging permit authorizes each individual
6 patron of an establishment, with the permission of the permittee, to bring up
7 to eight liters of premixed cocktails, fortified ~~wine-wine~~, or spirituous liquor,
8 or eight liters of the ~~two-three~~ combined, onto the premises and to consume
9 those alcoholic beverages on the premises. The permit may be issued for any
10 of the following:
- 11 a. Restaurants.
 - 12 b. Hotels.
 - 13 c. Private clubs.
 - 14 d. Community theatres.
 - 15 e. Congressionally chartered veterans organizations.
 - 16 f. Bars.
- 17 (8) Special Occasion Permit. – A special occasion permit authorizes the host of a
18 reception, party or other special occasion, with the permission of the
19 permittee, to bring premixed cocktails, fortified ~~wine-wine~~, and spirituous
20 liquor onto the premises of the business and to serve ~~the same to his~~ those
21 alcoholic beverages to the host's guests. The permit may be issued for any of
22 the following:
- 23 a. Restaurants.
 - 24 b. Hotels.
 - 25 c. Eating establishments.
 - 26 d. Private clubs.
 - 27 e. Convention centers.
 - 28 f. Bars.
 - 29 g. Sports and entertainment venues.
- 30 (9) Limited Special Occasion Permit. – A limited special occasion permit
31 authorizes the permittee to bring premixed cocktails, fortified ~~wine-wine~~, and
32 spirituous liquor onto the premises of a business, with the permission of the
33 owner of that property, and to serve those alcoholic beverages to the
34 permittee's guests at a reception, party, or other special occasion being held
35 there. The permit may be issued to any individual other than the owner or
36 possessor of the premises. An applicant for a limited special occasion permit
37 shall have the written permission of the owner or possessor of the property on
38 which the special occasion is to be held.
- 39 (10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail
40 sale of mixed beverages and premixed cocktails for consumption on the
41 premises. The permit also authorizes a mixed beverages permittee to obtain
42 an antique spirituous liquor permit under subdivision (20) of this section and
43 to use for culinary purposes spirituous liquor lawfully purchased for use in
44 mixed beverages. The permit may be issued for any of the following:
- 45 a. Restaurants.
 - 46 b. Hotels.
 - 47 c. Private clubs.
 - 48 d. Convention centers.
 - 49 e. Community theatres.
 - 50 f. Nonprofit organizations.
 - 51 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 and premixed cocktails 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 two mixed beverage drinks or two premixed cocktails at one time shall not be unlawful if the mixed beverage drinks or premixed cocktails are sold for delivery or consumption off the permittee's premises. No mixed beverage or premixed cocktail ordered for off-premises consumption shall be provided to any person other than the purchaser of the mixed beverage, beverage or premixed cocktail, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the mixed beverage or premixed cocktail 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).~~

- ...
- (12) Mixed Beverages Catering Permit. – A mixed beverages catering permit may be issued to a hotel, restaurant, or distillery. A mixed beverages catering permit issued to a hotel or restaurant authorizes the hotel or a restaurant to bring spirituous liquor and premixed cocktails onto the premises where the hotel or restaurant is catering food for an event and to serve the liquor and premixed cocktails to guests at the event. A mixed beverages catering permit issued to a distillery allows the distillery to bring spirituous liquor and premixed cocktails onto the premises where a hotel or restaurant is catering food for an event and serve the liquor and premixed cocktails to guests at the event, regardless of whether the hotel or restaurant also holds a mixed beverages catering permit.
- (12a) Mobile Bar Services Permit. – A mobile bar services permit may be issued to a business that provides bartending services for events. The permit authorizes the permittee to (i) bring malt beverages, unfortified wine, premixed cocktails, 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, and (ii) serve alcoholic beverages to guests at an event occurring on premises owned or possessed by the holder of the permit. The permittee may purchase malt beverages and unfortified wine only from a retailer. The permittee may

1 purchase fortified wine and spirituous liquor only from an ABC store. If the
2 permittee serves spirituous liquor, it shall only be spirituous liquor purchased
3 from an ABC store that is designated as a mixed beverage ABC store operated
4 by any local board operating in the same county where the permittee's
5 principal office is located. The permittee may purchase premixed cocktails
6 either from a retailer or from an ABC store that is designated as a mixed
7 beverage ABC store operated by any local board operating in the same county
8 where the permittee's principal office is located. The permittee may store and
9 serve alcoholic beverages pursuant to a mobile bar services permit on the
10 premises of any location owned or possessed by the permittee. The permittee
11 shall notify the Commission, in writing, of the location of any event where the
12 permittee will serve alcoholic beverages not less than one week before the
13 event. If an event takes place on premises not owned or possessed by the
14 permittee, the permittee shall have the permission of the owner or possessor
15 of the property on which the event is to be held. Any person serving alcoholic
16 beverages at the event shall be at least 21 years of age. If the event takes place
17 on premises not owned or possessed by the permittee, alcoholic beverages
18 may be transported by the mobile bar services permit holder to the premises
19 of the event no earlier than 8:00 A.M. on the day of the event, and, at the
20 conclusion of the event, all alcoholic beverages must be removed from the
21 premises no later than 12:00 noon of the following day. A limited special
22 occasion permit shall not be required for an event at which alcoholic
23 beverages are exclusively provided by the holder of a mobile bar services
24 permit. The holder of a mobile bar services permit may bring alcoholic
25 beverages onto the premises and serve the alcoholic beverages at an event
26 regardless of whether there is a charge or fee for guests to attend the event.
27 This permit does not allow the retail sale of individual alcoholic beverages to
28 guests at an event. A permittee shall not sell tickets or charge individuals for
29 entry to any event at which the permittee is providing mobile bar services.

30 (13) Guest Room Cabinet Permit. – A guest room cabinet permit authorizes a guest
31 room cabinet permittee to sell to its room guests, from securely locked
32 cabinets, malt beverages, unfortified wine, premixed cocktails, fortified wine,
33 and spirituous liquor. A permittee shall designate and maintain at least ten
34 percent (10%) of the permittee's guest rooms as rooms that do not have a guest
35 room cabinet. A permittee may dispense alcoholic beverages from a guest
36 room cabinet only in accordance with written policies and procedures filed
37 with and approved by the Commission. A permittee shall provide a reasonable
38 number of vending machines, coolers, or similar machines on premises for the
39 sale of soft drinks to hotel guests.

40 A guest room cabinet permit may be issued to any of the following:

- 41 a. A hotel (i) holding a mixed beverages permit and (ii) located in a
42 county subject to G.S. 18B-600(f).
- 43 b. A hotel (i) holding a mixed beverages permit and (ii) located in a
44 county that has a population in excess of 150,000 by the last federal
45 census.
- 46 c. A private club (i) holding a mixed beverages permit, (ii) having
47 management contracts for the rental of living units, and (iii) located in
48 a county defined in G.S. 18B-101(13a)b.2.
- 49 d. An 18-hole golf course (i) holding a mixed beverages permit or located
50 in a county where ABC stores have heretofore been established but in
51 which the sale of mixed beverages has not been approved, (ii) having

1 management contracts for the rental of living units, and (iii) located in
2 a county that has a population in excess of 20,000 people by the last
3 federal census.

4 ...

5 (16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt
6 beverages, unfortified wine, premixed cocktails, and fortified wine in the
7 manufacturer's original container for consumption off the premises, (ii) the
8 retail sale of malt beverages or unfortified wine dispensed from a tap
9 connected to a pressurized container utilizing carbon dioxide or similar gas in
10 a cleaned and sanitized container that is filled or refilled and sealed for
11 consumption off the premises and that identifies the permittee and the date the
12 container was filled or refilled, (iii) wine tastings on the premises conducted
13 and supervised by the permittee in accordance with subdivision (15) of this
14 section, and (iv) wine tastings conducted at a consumer's private residence or
15 a location not holding a permit under this section where consumers are
16 educated about selection, serving, and storing of wine by the permittee or the
17 permittee's employee or agent utilizing wine from the permit holder's
18 inventory and consumers may purchase wine for future delivery or pick-up at
19 the permittee's permitted premises. It also authorizes the holder of the permit
20 to ship malt beverages, unfortified wine, premixed cocktails, and fortified
21 wine in closed containers to individual purchasers inside and outside the State.
22 The permit may be issued for retail businesses whose primary purpose is
23 selling malt ~~beverages and wine beverages, wine, and premixed cocktails~~
24 for consumption off the premises and regularly and customarily educating
25 consumers through tastings, classes, and seminars about the selection, serving,
26 and storing of wine. The holder of the permit is authorized to sell unfortified
27 wine for consumption on the premises, provided that, except as otherwise
28 provided in this subdivision, the sale of wine for consumption on the premises
29 does not exceed forty percent (40%) of the establishment's total sales for any
30 30-day period. The holder of a wine-tasting permit not engaged in the
31 preparation or sale of food on the premises is not subject to Part 6 of Article 8
32 of Chapter 130A of the General Statutes. A holder of a wine shop permit shall
33 also be eligible to hold a malt beverage shop permit under G.S. 18B
34 1001(16a). If the holder of a wine shop permit also holds a malt beverage shop
35 permit, then the sales of alcoholic beverages for consumption on the premises
36 may not exceed forty percent (40%) of the establishment's total sales for any
37 30-day period.

38 (16a) Malt Beverage Shop Permit. – A malt beverage shop permit authorizes (i) the
39 retail sale of malt beverages, unfortified wine, premixed cocktails, and
40 fortified wine in the manufacturer's original container for consumption off the
41 premises, (ii) the retail sale of malt beverages dispensed from a tap connected
42 to a pressurized container utilizing carbon dioxide or similar gas in a cleaned
43 and sanitized container that is filled or refilled and sealed for consumption off
44 the premises and that identifies the permittee and the date the container was
45 filled or refilled, and (iii) malt beverage tastings on the premises conducted
46 and supervised by the permittee in accordance with subdivision (18) of this
47 section. It also authorizes the holder of the permit to ship malt beverages,
48 unfortified wine, premixed cocktails, and fortified wine in closed containers
49 to individual purchasers inside and outside the State. The permit may be issued
50 for retail businesses whose primary purpose is selling malt beverages for
51 consumption off the premises and regularly and customarily educating

1 consumers through tastings, classes, and seminars about the selection, serving,
 2 and storing of malt beverages. The holder of the permit is authorized to sell
 3 malt beverages for consumption on the premises, provided that, except as
 4 otherwise provided in this subdivision, the sale of malt beverages, combined,
 5 for consumption on the premises does not exceed forty percent (40%) of the
 6 establishment's total sales for any 30-day period. The holder of a malt
 7 beverage tasting permit not engaged in the preparation or sale of food on the
 8 premises is not subject to Part 6 of Article 8 of Chapter 130A of the General
 9 Statutes. A holder of a malt beverage shop permit shall also be eligible to hold
 10 a wine shop permit under G.S. 18B 1001(16). If the holder of a malt beverage
 11 shop permit also holds a wine shop permit, then the sales of alcoholic
 12 beverages for consumption on the premises may not exceed forty percent
 13 (40%) of the establishment's total sales for any 30-day period.

14 ...

15 (19) Spirituous liquor tasting permit. – The holder of any distillery permit
 16 authorized by G.S. 18B-1105 may conduct a consumer tasting event on the
 17 premises of the distillery subject to the following conditions:

- 18 a. Any person pouring spirituous liquor at a tasting shall be an employee
 19 of the distillery and at least 21 years of age.
- 20 b. The person pouring the spirituous liquor shall be responsible for
 21 checking the identification of patrons being served at the tasting.
- 22 c. Each consumer is limited to tasting samples of 0.25 ounce of each
 23 spirituous liquor which total no more than 1.5 ounces of spirituous
 24 liquor in any calendar day.
- 25 d. The consumer shall not be charged for any spirituous liquor tasting
 26 sample.
- 27 e. The spirituous liquor used in the consumer tasting event shall be
 28 distilled or produced at the distillery where the event is being held by
 29 the permit holder conducting the event.
- 30 f. A consumer tasting event shall not be allowed when the sale of
 31 ~~spirituous liquor~~ the alcoholic beverage offered for tasting is otherwise
 32 prohibited.
- 33 g. Tasting samples are not to be offered to, or allowed to be consumed
 34 by, any person under the legal age for consuming spirituous liquor.
- 35 h. Consumer tasting events authorized under this subdivision may be
 36 conducted on any part of the licensed premises of the distillery, except
 37 as prohibited by federal law.

38 The distillery permit holder shall be solely liable for any violations of this
 39 Chapter occurring in connection with the tasting. The Commission shall adopt
 40 rules to assure that the tastings are limited to samplings and not a subterfuge
 41 for the unlawful sale or distribution of spirituous liquor and that the tastings
 42 are not used by industry members for unlawful inducements to retail permit
 43 holders. For purposes of this subdivision, the term "spirituous liquor" includes
 44 premixed cocktails.

45 ...

46 (22) Airport Central Storage Permit. – A permit under this subdivision may be
 47 issued to the owner of a bonded storage warehouse that meets the federal
 48 Transportation Security Administration (TSA) security standards (49 C.F.R.
 49 §§ 1542.1 through 1542.307). This permit authorizes the permittee to contract
 50 with retail permittees holding permits issued pursuant to G.S. 18B-1001(1),
 51 (3), (5), and (10) with one or more retail locations at airports which service

1 airplanes boarding at least 150,000 passengers annually to do the following:
2 (i) store at a central receiving facility located on or within 5 miles of the airport
3 property and outside the retail permittee's licensed premises alcoholic
4 beverages to be sold or served at the retail permittee's airport locations as
5 approved by the Commission and (ii) transport alcoholic beverages from the
6 central receiving facility to the retail permittee's premises or support locations
7 within the airport terminal pursuant to subsections (d) and (e) of
8 G.S. 18B-1115. Alcoholic beverages stored pursuant to this subdivision shall
9 be the property of the retail permittee. The portion of the airport central storage
10 permitted premises where the retail permittee's alcoholic beverages are stored
11 shall be deemed an extension of the retail permittee's permitted premises for
12 storage only and subject to inspection pursuant to G.S. 18B-503.

13 (23) Common Carrier Vehicle Permit. – Notwithstanding the results of any local
14 election, a permit under this subdivision may be issued to a business primarily
15 engaged in this State in the intrastate operation of common carriers of
16 passengers and operating under a certificate of authority issued by the North
17 Carolina Utilities Commission. A common carrier vehicle permit authorizes
18 the sale or service of malt beverages, unfortified wine, premixed cocktails,
19 fortified wine, and mixed beverages in the passenger area of a common carrier
20 of passengers for consumption by passengers in the passenger area during
21 journeys of 75 miles or longer that do not terminate within 10 miles of the
22 origin of the journey. The permit issued to the business shall cover all common
23 carriers of passengers owned by the business. The permit or a copy of the
24 permit shall be prominently displayed on each common carrier of passengers
25 on which alcoholic beverages are served or sold. Notwithstanding
26 G.S. 18B-101(12a), the passenger area of a permittee's common carrier of
27 passengers constitutes the premises for the permit. This permit shall not allow
28 consumption of alcohol on a common carrier of passengers by any employee
29 of the permittee. A permittee may not sell or serve alcoholic beverages to a
30 passenger between the hours of 2:00 A.M. and 7:00 A.M., and a passenger
31 may not be allowed to consume alcoholic beverages between the hours of 2:30
32 A.M. and 7:00 A.M. Notwithstanding G.S. 18B-1004(c) or any local
33 ordinance, alcoholic beverages may not be sold or consumed before 10:00
34 A.M. on Sundays. For purposes of this subdivision, a common carrier of
35 passengers has the same meaning as in G.S. 20-4.01(27)d.

36 (24) Cotenant Permit. – A permit under this subdivision may be issued to a
37 restaurant that occupies the same building as another ABC permittee, provided
38 that the building has no other tenants and the building does not have a common
39 area that is open to the public but not part of the premises of one of the two
40 permittees. The permit authorizes the permittee to allow customers to bring
41 open containers of malt beverages, unfortified wine, premixed cocktails,
42 fortified wine, or mixed beverages from the premises of the other ABC
43 permittee who occupies the same building onto the premises of the permit
44 holder.

45 (25) Bring Your Own Beverage Permit. – A permit issued under this subdivision
46 may be issued to an adult live entertainment business as defined in
47 G.S. 14-202.10. This permit authorizes the permittee to allow patrons to bring
48 closed containers of ~~malt beverages and unfortified wine~~ malt beverages,
49 unfortified wine, and premixed cocktails onto the premises and consume the
50 ~~malt beverages and unfortified wine~~ malt beverages, unfortified wine, and
51 premixed cocktails on the premises.

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

14 **SECTION 22.(ii)** G.S. 18B-1001.4 reads as rewritten:

15 "**§ 18B-1001.4. Authorization of delivery service permit.**

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

28 ...

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

42"

43 **SECTION 22.(jj)** G.S. 18B-1002, as amended by Section 10 of this act, reads as
 44 rewritten:

45 "**§ 18B-1002. Special one-time permits.**

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

48 ...

49 (2) A permit may be issued to a nonprofit organization to allow the retail sale of
 50 malt beverages, unfortified wine, premixed cocktails, fortified wine, or mixed
 51 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, premixed cocktails, 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, premixed cocktails, 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, premixed cocktails, and spirituous liquor at a ticketed event held to allow the unit of local government or organization to raise funds. A permit is not required under this subdivision for a ticketed 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, premixed cocktails, 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, premixed cocktails, 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

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

- 16 (6) A permit may be issued to a professional sports organization to allow the retail
17 sale of malt beverages, unfortified wine, premixed cocktails, fortified wine, or
18 mixed beverages for consumption on the premises at a professional sporting
19 event held at a stadium (i) with a seating capacity of at least 40,000 people
20 and (ii) that is owned or leased by a constituent institution of The University
21 of North Carolina located in a county with a population of at least 900,000
22 people according to the most recent federal decennial census. For purposes of
23 this subdivision, the term "professional sports organization" means an
24 organization that is a member of an association or league of professional
25 sports organizations that (i) has 6 or more members, (ii) has total combined
26 revenues from all members that exceeds ten million dollars (\$10,000,000) per
27 year, and (iii) governs the conduct of its members and regulates the contests
28 and exhibitions in which its member organizations regularly engage.

29 ...

30 (d) Administrative Procedure. – Denial or revocation of a permit under this section shall
31 not entitle the applicant or permittee to a hearing under ~~Chapter 150B.~~Chapter 150B of the
32 General Statutes."

33 **SECTION 22.(kk)** G.S. 18B-1004 reads as rewritten:

34 "**§ 18B-1004. Hours for sale and consumption.**

35 (a) Hours. – Except as otherwise provided in this section, it shall be unlawful to sell malt
36 beverages, unfortified wine, premixed cocktails, fortified wine, or mixed beverages between the
37 hours of 2:00 A.M. and 7:00 A.M., or to consume any of those alcoholic beverages between the
38 hours of 2:30 A.M. and 7:00 A.M., in any place that has been issued a permit under
39 G.S. 18B-1001 or G.S. 18B-1105.

40 ...

41 (d) Local Option. – A city may adopt an ordinance prohibiting in the city the retail sale
42 of malt beverages, unfortified wine, premixed cocktails, and fortified wine during any or all of
43 the hours from 12:00 Noon on Sunday until 7:00 A.M. on the following Monday. A county may
44 adopt an ordinance prohibiting, in the parts of the county outside any city, the retail sale of malt
45 beverages, unfortified wine, premixed cocktails, and fortified wine during any or all of the hours
46 from 12:00 Noon on Sunday until 7:00 A.M. on the following Monday. Neither a city nor a
47 county, however, may prohibit those sales in establishments having brown-bagging or mixed
48 beverages permits.

49 (e) This section does not prohibit at any time the wholesale delivery and sale of
50 unfortified wine, premixed cocktails, fortified wine, and malt beverages to retailers issued
51 permits pursuant to G.S. 18B-1001 or G.S. 18B-1002(a)(2) or (5)."

1 **SECTION 22.(II)** G.S. 18B-1006 reads as rewritten:

2 "**§ 18B-1006. Miscellaneous provisions on permits.**

3 (a) School and College Campuses. – No permit for the sale of alcoholic beverages shall
4 be issued to a business on the campus or property of a public school, college, or university. This
5 subsection shall not apply to the following:

6 ...

7 (7) The sale of malt beverages, unfortified wine, premixed cocktails, or fortified
8 wine at the following:

- 9 a. Performing arts centers located on property owned or leased by the
10 public college or university.
11 b. Any stadiums that support a NASCAR-sanctioned one-fourth mile
12 asphalt flat oval short track, that are owned or leased by the public
13 college or university.

14 ...

15 (b) Lockers at Clubs. – A private club or congressionally-chartered veterans organization
16 which has been issued a brown-bagging permit may, but is not required to, provide lockers for
17 its members to store their alcoholic beverages. If lockers are provided, however, they shall not
18 be shared but shall be for individual members. Each locker and each bottle of alcoholic beverages
19 on the premises shall be labelled with the name of the member to whom it belongs. No more than
20 eight liters each of ~~malt beverages or unfortified wine~~ malt beverages, unfortified wine, or
21 premixed cocktails may be stored by a member at one time. No more than eight liters of either
22 fortified wine or spirituous liquor, or eight liters of the two combined, may be stored by a member
23 at one time.

24 ...

25 (h) Purchase Restrictions. – A retail permittee may purchase malt beverages, unfortified
26 wine, premixed cocktails, or fortified wine only from a wholesaler who maintains a place of
27 business in this State and has the proper permit.

28 (i) Tour Boats. – The Commission may issue permits to boats that conduct regularly
29 scheduled tours upon the rivers or waterways of this State under the following conditions:

30 ...

31 (3) A boat may hold the permits listed in G.S. 18B-1001(1), (3), (5), (7), and (10),
32 but no off-premises sales may be made pursuant to those ~~permits;~~permits.

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

40 ...

41 (j) Recreation Districts. – Notwithstanding the provisions of Article 6 of this Chapter,
42 the Commission may issue permits for the sale of malt beverages, unfortified wine, premixed
43 cocktails, fortified wine, and mixed beverages to qualified businesses in a recreation district.

44 A "recreation district" is an area that meets any of the following requirements:

45 ...

46 (r) Distillery Estate Districts. –

47 ...

48 (2) Notwithstanding any other provision of law, a mixed beverages permittee
49 located in a distillery estate district and under common ownership and control
50 with the distillery in the distillery estate district may sell spirituous liquor
51 produced at the distillery located in the distillery estate district in mixed

1 beverages and premixed cocktails as if it were being sold at the distillery.
 2 Spirituous liquor sold pursuant to this subdivision shall be listed as a code
 3 item for sale in the State but shall not be required to be sent to the State
 4 warehouse or be stamped with a mixed beverages tax stamp.

5 (3) Notwithstanding any other provision of law, a distillery in a distillery estate
 6 district may, without approval from the Commission, conduct consumer
 7 tastings of spirituous liquor produced at the distillery subject to the
 8 requirements of G.S. 18B-1114.7(b) anywhere in the distillery estate district,
 9 including outdoors and on the premises of another ABC permittee located in
 10 the distillery estate district.

11 (3a) Notwithstanding any other provision of law, a distillery in a distillery estate
 12 district may, without approval from the Commission, conduct consumer
 13 tastings of premixed cocktails produced at the distillery anywhere in the
 14 distillery estate district, including outdoors and on the premises of another
 15 ABC permittee located in the distillery estate district.

16 (4) Notwithstanding any other provision of law, on- and off-premises unfortified
 17 wine permittees located in a distillery estate district and under common
 18 ownership and control with the distillery in the distillery estate district may
 19 sell bottles of spirituous liquor and containers of premixed cocktails produced
 20 at the distillery at retail for consumption off the premises as if those bottles or
 21 containers were being sold in the distillery following a tour. Sales under this
 22 subdivision may occur between the hours of 9:00 A.M. and 9:00 P.M. on
 23 Monday through Saturday of each week, from 12:00 noon to 9:00 P.M. on
 24 Sundays, and from 9:00 A.M. to 9:00 P.M. on each of the following holidays
 25 that do not fall on a Sunday: New Year's Day, Fourth of July, Labor Day and
 26 Thanksgiving Day. Spirituous liquor other than premixed cocktails sold under
 27 this subdivision shall (i) be listed as a code item for sale in the State, (ii) be
 28 sold at the price set by the Commission for the code item pursuant to
 29 G.S. 18B-804(b), and (iii) have affixed to its bottle any labeling requirements
 30 set by law. The distillery shall be responsible for remitting to the Department
 31 of Revenue the spirituous liquor and premixed cocktail excise tax pursuant to
 32 G.S. 105-113.80 on bottles and containers sold pursuant to this subdivision.
 33 The on- or off-premises unfortified wine permittees shall be responsible for
 34 remitting to the Department of Revenue the sales and use tax on bottles and
 35 containers sold in those establishments.

36"

37 **SECTION 22.(mm)** G.S. 18B-1007 reads as rewritten:

38 "**§ 18B-1007. Additional requirements for mixed beverages permittees.**

39 (a) Purchases. – A mixed beverages permittee may purchase spirituous liquor for resale
 40 as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale
 41 from a guest room cabinet only at an ABC store that is designated as a mixed beverage ABC
 42 store operated by any local board operating in the same county as the permittee. A mixed
 43 beverages permittee may purchase premixed cocktails for resale from either an ABC store or a
 44 premixed cocktail wholesaler, and a guest room cabinet permittee may purchase premixed
 45 cocktails for resale from a guest room cabinet from either an ABC store that is designated as a
 46 mixed beverage ABC store operated by any local board operating in the same county as the
 47 permittee or a premixed cocktail wholesaler.

48 ...

49 (d) When a temporary mixed beverages permit has been issued to a new permittee for the
 50 continuation of a business at the same location, the permittee going out of business may sell
 51 existing mixed beverages and premixed cocktails inventory to the new permittee, and the

1 Commission may request that the local ABC board restamp the mixed beverages inventory with
 2 the mixed beverages tax stamp assigned by the local board to the new mixed beverages permittee.
 3 Any existing premixed cocktail inventory does not need to be stamped with the mixed beverages
 4 tax stamp.

5"

6 **SECTION 22.(nn)** G.S. 18B-1009(a), as amended by Section 27 of this act, reads as
 7 rewritten:

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

- 13 (1) The seating areas are designated as part of the retail permittee's licensed
 14 ~~premises;~~premises.
- 15 (2) The retail permittee has notified the Commission, in writing, of its intent to
 16 sell malt ~~beverages~~ beverages, premixed cocktails, or both in the seating areas
 17 at concerts or sporting ~~events;~~events.
- 18 (3) Service of food and nonalcoholic beverages is available in the seating
 19 ~~areas;~~areas.
- 20 (4) The retail permittee has certified to the Commission that it has trained its
 21 ~~employees;~~employees to do all of the following:
 - 22 a. ~~To identify~~ Identify underage persons and intoxicated ~~persons;~~
 23 ~~and~~persons.
 - 24 b. ~~To refuse~~ Refuse to sell ~~malt~~ alcoholic beverages to those persons as
 25 required by ~~G.S. 18B-305;~~ and G.S. 18B-305.
- 26 (5) The employees do not verbally shout or hawk the sale of ~~malt~~ alcoholic
 27 beverages."

28 **SECTION 22.(oo)** G.S. 18B-1100 reads as rewritten:

29 **"§ 18B-1100. Commercial permits.**

30 The Commission may issue the following commercial permits:

31 ...

- 32 (23) Airport central storage permit.
- 33 (24) Premixed cocktail wholesaler permit.
- 34 (25) Nonresident premixed cocktail vendor permit.
- 35 (26) Premixed cocktail special event permit."

36 **SECTION 22.(pp)** G.S. 18B-1105 reads as rewritten:

37 **"§ 18B-1105. Authorization of distillery permit.**

38 (a) The holder of a distillery permit may do any of the following:

- 39 (1) Manufacture, purchase, import, possess and transport ingredients and
 40 equipment used in the distillation or production of ~~spirituous liquor;~~ liquor and
 41 premixed cocktails. The authorization to possess ingredients set forth in this
 42 subdivision includes the possession of spirituous liquor and premixed
 43 cocktails not distilled or produced at the distillery that ~~is~~ are used for the
 44 production, research and development, or sample comparison of spirituous
 45 ~~liquor;~~ liquor or premixed cocktails.
- 46 (2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to (i)
 47 exporters and local boards within the State, and, (ii) subject to the laws of
 48 other jurisdictions, at wholesale or retail to consumers in other states or
 49 nations, or private or public agencies or establishments of other states or
 50 nations, except that the holder of a distillery permit may not sell, deliver, or

- 1 ship spirituous liquor at retail to consumers in jurisdictions that require
2 reciprocity in order to allow such sales, deliveries, or shipments.
- 3 (2a) Sell, deliver, and ship premixed cocktails in closed containers to wholesalers
4 licensed under this Chapter as authorized by the ABC laws, except that
5 premixed cocktails may be sold to exporters and nonresident wholesalers only
6 when the purchase is not for resale in this State. Additionally, premixed
7 cocktails may be sold, delivered, and shipped, subject to the laws of other
8 jurisdictions, at wholesale or retail to consumers in other states or nations, or
9 private or public agencies or establishments of other states or nations, except
10 that the holder of a distillery permit may not sell, deliver, or ship premixed
11 cocktails at retail to consumers in jurisdictions that require reciprocity in order
12 to allow such sales, deliveries, or shipments.
- 13 (2b) Sell, deliver, and ship premixed cocktails in closed containers at wholesale to
14 local boards within the State.
- 15 (3) Transport into or out of the distillery the maximum amount of liquor and
16 premixed cocktails allowed under federal law, if the transportation is related
17 to the distilling process.
- 18 (4) Sell spirituous liquor and premixed cocktails distilled or produced at the
19 distillery in closed containers to visitors who tour the distillery for
20 consumption off the premises. The length, content, and other parameters of
21 the tour shall be at the discretion of the distillery, and the distillery shall not
22 be required to maintain records related to tours. Sales under this subdivision
23 are allowed only in a county where the establishment of a county or municipal
24 ABC store has been approved pursuant to G.S. 18B-602(g) and may occur
25 between the hours of 9:00 A.M. and 9:00 P.M. on Monday through Saturday
26 of each week, from 12:00 noon to 9:00 P.M. on Sundays, and from 9:00 A.M.
27 to 9:00 P.M. on each of the following holidays that do not fall on a Sunday:
28 New Year's Day, Fourth of July, Labor Day, and Thanksgiving Day.
29 Spirituous liquor other than premixed cocktails sold under this subdivision
30 shall (i) be listed as a code item for sale in the State, (ii) be sold at the price
31 set by the Commission for the code item pursuant to G.S. 18B-804(b), and
32 (iii) have affixed to its bottle any labeling requirements set by law. A bottle of
33 spirituous liquor or a premixed cocktail container sold under this subdivision
34 may have personalized labeling. The personalized labeling shall comply with
35 any other labeling requirements set by law. The personalized labeling shall
36 not cover any portion of the manufacturer's original label. For purposes of this
37 subdivision, the term "personalized labeling" means the inclusion of any of
38 the following on the label:
- 39 a. The name of the purchaser of the bottle or container or the name of
40 any individual, business entity, or club on whose behalf the bottle or
41 container is purchased.
- 42 b. "Bottled for," "distilled for," "in honor of," or other similar language.
- 43 c. Dates, locations, occasions, and other similar information.
- 44 (4a) In an area where the sale of mixed beverages is authorized by law, sell mixed
45 beverages and premixed cocktails for consumption on the premises, or for
46 consumption off the premises in accordance with the requirements for sale for
47 consumption off the premises described in G.S. 18B-1001(10). If a distillery
48 elects to sell mixed beverages or premixed cocktails containing spirituous
49 liquor other than that produced at the distillery, the distillery shall obtain a
50 mixed beverages permit pursuant to G.S. 18B-1001.

1 (4b) If the distillery is located on a property used for bona fide farm purposes, as
 2 defined in G.S. 160D-102(3), sell mixed beverages and premixed cocktails
 3 containing only spirituous liquor produced at the distillery for consumption
 4 on the premises, or for consumption off the premises in accordance with the
 5 requirements for sale for consumption off the premises described in
 6 G.S. 18B-1001(10), regardless of the results of any local mixed beverage
 7 election.

8 (4c) In an area where the sale of mixed beverages has not been approved by a local
 9 election, sell mixed beverages and premixed cocktails containing only
 10 spirituous liquor produced at the distillery for consumption on the premises,
 11 or for consumption off the premises in accordance with the requirements for
 12 sale for consumption off the premises described in ~~G.S. 18B-1001(10), upon~~
 13 ~~obtaining a mixed beverages permit under~~
 14 ~~G.S. 18B-1001.~~G.S. 18B-1001(10). If a distillery elects to sell mixed
 15 beverages pursuant to this subdivision, the distillery shall obtain a mixed
 16 beverages permit pursuant to G.S. 18B-1001(10).

17 (5) Conduct consumer tastings, sell mixed beverages, and provide spirituous
 18 liquor in closed containers in accordance with G.S. 18B-1114.7.

19 (5a) Conduct consumer tastings and sell premixed cocktails in open or closed
 20 containers in accordance with G.S. 18B-1114.9, except that premixed
 21 cocktails offered for tasting or sale pursuant to this subdivision are not
 22 required to be purchased from a premixed cocktail wholesaler if the premixed
 23 cocktails contain only spirituous liquor produced at the distillery.

24 (6) Sell malt beverages, unfortified wine, premixed cocktails, and fortified wine,
 25 for consumption on the premises upon obtaining the appropriate permit under
 26 G.S. 18B-1001.

27 (a1) A distillery participating in an alternating proprietorship may sell any product it
 28 produces or distills at the permitted location pursuant to subdivision (4), (4a), (4b), (4c), ~~or (5)~~
 29 ~~(5), or (5a)~~ of subsection (a) of this section at any time the sale of ~~spirituous liquor that type of~~
 30 alcoholic beverage is allowed on the premises pursuant to those subdivisions. The distilleries in
 31 an alternating proprietorship may contract for the host distillery to manage sales of spirituous
 32 liquor and premixed cocktails for the other distillery pursuant to subdivision (4), (4a), (4b), (4c),
 33 ~~or (5) (5), or (5a)~~ of subsection (a) of this section, but each distillery shall be responsible for
 34 maintaining appropriate records and remitting the appropriate taxes. Only the host distillery shall
 35 be required to have a mixed beverage permit, if required, if the host distillery sells the other
 36 distillery's spirituous liquor in mixed beverages.

37 ...

38 (d) Control of Location of Sale and Consumption on Premises. – Notwithstanding
 39 G.S. 18B-301(e), except as otherwise prohibited by federal law or the holder of the distillery
 40 permit, an alcoholic beverage authorized to be sold or consumed under this section may be sold,
 41 possessed, or consumed on any part of the licensed premises of the distillery that is open to the
 42 public. This subsection shall not be construed to allow spirituous liquor or premixed cocktails in
 43 closed containers sold for off-premises consumption to be consumed at the distillery."

44 **SECTION 22.(qq) G.S. 18B-1105.1 reads as rewritten:**

45 **"§ 18B-1105.1. Authorization of liquor importer/bottler permit.**

46 The holder of a liquor importer/bottler permit may:

47 (1) Receive spirituous liquor and premixed cocktails in closed containers into
 48 foreign trade zones at the State Port facilities in Morehead City and
 49 Wilmington from ships docked at the State Port facilities for the purpose of
 50 bottling, packaging, or labeling.

- 1 (2) Bottle, package, or label in this State spirituous liquor and premixed cocktails
- 2 imported or received into a foreign trade zone pursuant to this section.
- 3 (3) Receive spirituous liquor in closed containers into the foreign trade zones at
- 4 the State Port facilities in Morehead City and Wilmington from ships docked
- 5 at the State Port facilities for storage, sale, shipment, and transshipment to the
- 6 State or a local ABC board warehouse or, subject to the laws of other
- 7 jurisdictions, to private or public agencies or establishments of other states or
- 8 nations.
- 9 (4) Subject to the record-keeping requirements of G.S. 18B-1115, transport into
- 10 or out of the foreign trade zones at the State Port facilities in Morehead City
- 11 and Wilmington, the maximum amount of liquor allowed under federal law,
- 12 if the transportation is related to the bottling, packaging, labeling, sale, or
- 13 storage permitted by this section.
- 14 (5) Receive spirituous liquor in closed containers into the State for storage, sale,
- 15 shipment, and transshipment to the State warehouse or, subject to the laws of
- 16 other jurisdictions, to private or public agencies or establishments of other
- 17 states or nations.
- 18 (6) Receive premixed cocktails in closed containers into the State for storage,
- 19 sale, shipment, and transshipment to the State warehouse, to premixed cocktail
- 20 wholesalers for purposes of resale, or, subject to the laws of other
- 21 jurisdictions, to private or public agencies or establishments of other states or
- 22 nations."

23 **SECTION 22.(rr)** Article 11 of Chapter 18B of the General Statutes is amended by
 24 adding a new section to read:

25 **"§ 18B-1109.1. Authorization of premixed cocktail wholesaler permit.**

26 The holder of a premixed cocktail wholesaler permit may do any or all of the following:

- 27 (1) Receive, possess, and transport shipments of premixed cocktails.
- 28 (2) Sell, deliver, and ship, in closed containers and in quantities of one case or
- 29 container or more, premixed cocktails of any brand filed pursuant to
- 30 G.S. 18B-1403(a) to wholesalers or retailers licensed under this Chapter, as
- 31 authorized by the ABC laws.
- 32 (3) Furnish and sell premixed cocktails filed pursuant to G.S. 18B-1403(a) to its
- 33 employees subject to the rules of the Commission and the Department of
- 34 Revenue.
- 35 (4) In locations where the sale is legal, furnish premixed cocktails of any brand
- 36 filed pursuant to G.S. 18B-1403(a) to guests and any other person who does
- 37 not hold an ABC permit, for promotional purposes, subject to the rules of the
- 38 Commission."

39 **SECTION 22.(ss)** G.S. 18B-1110(a) reads as rewritten:

40 "(a) Authorization. – The holder of a bottler permit ~~may~~may do any or all of the
 41 following:

- 42 (1) Receive, possess and transport shipments of malt beverages, ~~unfortified wine~~
 43 ~~and fortified wine;~~unfortified wine, premixed cocktails, and fortified wine.
- 44 (2) Bottle, sell, deliver and ship malt beverages, unfortified wine, premixed
 45 cocktails, and fortified wine in closed containers to wholesalers licensed under
 46 this Chapter as authorized by the ABC ~~laws;~~laws.
- 47 (3) Furnish or sell packages which do not conform to the manufacturer's
 48 marketing standards, if State taxes have been or will be paid, to its employees
 49 for the use of the employees or their families and guests in this State.

50 A sale or gift under subdivision (3) shall not be considered a retail or wholesale sale under
 51 the ABC law."

1 **SECTION 22.(tt)** G.S. 18B-1110.1 reads as rewritten:

2 "**§ 18B-1110.1. Authorization of packaging and logistics permit.**

3 (a) Authorization. – The holder of a packaging and logistics permit may:

4 (1) Receive, in closed containers, malt beverages, unfortified wine, premixed
5 cocktails, fortified wine, and spirituous liquor from a supplier for the purpose
6 of packaging, repackaging, storage, shipping, and for the purpose of labeling
7 or relabeling the outer packaging, such as a box or carton.

8 (2) Package or repackage malt beverages, unfortified wine, premixed cocktails,
9 fortified wine, and spirituous liquor received from a supplier, and label or
10 relabel the outer packaging.

11 (3) Subject to the record-keeping requirements of G.S. 18B-1115, transport into
12 or out of the State in closed containers the maximum amounts of malt
13 beverages, unfortified wine, premixed cocktails, fortified wine, and spirituous
14 liquor allowed under federal law, if the transportation is related to the
15 packaging, labeling, sale, or storage permitted by this section.

16 (4) Deliver and ship malt beverages, unfortified wine, premixed cocktails, and
17 fortified wine as provided in this section in closed containers to suppliers and
18 wholesalers licensed under this Chapter.

19 (5) Deliver and ship spirituous liquor and premixed cocktails as provided in this
20 section in closed containers at wholesale to exporters and local boards within
21 the State.

22 (6) Subject to the laws of other jurisdictions, deliver and ship malt beverages,
23 unfortified wine, premixed cocktails, fortified wine, and spirituous liquor as
24 provided in this section to out-of-state suppliers or at wholesale or retail to
25 private or public agencies or establishments of other states or nations.

26 (b) Limitation. – A packaging and logistics permit does not authorize the permit holder
27 to engage in the manufacture of alcoholic beverages except for packaging, repackaging, labeling,
28 and relabeling as provided in subsection (a) of this section. A holder of a packaging and logistics
29 permit may not sell, deliver, or ship malt beverages, unfortified wine, premixed cocktails,
30 fortified wine, or spirituous liquor directly to consumers or to retail establishments in this State.
31 Nothing in this section shall be interpreted to abrogate the provisions of G.S. 18B-1119.

32 (c) Distribution Agreements. – Malt ~~beverage and wine~~ beverage, wine, and premixed
33 cocktail distribution agreements applicable between a wholesaler and an original supplier are
34 governed by Articles ~~12 and 13~~ 12, 13, and 14 of this Chapter."

35 **SECTION 22.(uu)** G.S. 18B-1111(a) reads as rewritten:

36 "(a) Authorized Acts. – The holder of a salesman permit may sell and transport malt
37 beverages for a malt beverage ~~wholesaler or wholesaler~~, sell and transport unfortified and
38 fortified wine for a wine ~~wholesaler~~ wholesaler, or sell and transport premixed cocktails for a
39 premixed cocktail wholesaler."

40 **SECTION 22.(vv)** Article 11 of Chapter 18B of the General Statutes is amended by
41 adding a new section to read:

42 "**§ 18B-1113.2. Authorization of nonresident premixed cocktail vendor permit.**

43 The holder of a nonresident premixed cocktail vendor permit may sell, deliver, and ship
44 premixed cocktails in this State only to wholesalers, importers, and bottlers licensed under this
45 Chapter, as authorized by the ABC laws. The premixed cocktails must come to rest at the licensed
46 premises of a premixed cocktail wholesaler in this State before being resold to a retailer licensed
47 under this Chapter. A nonresident premixed cocktail vendor permit may be issued to a liquor
48 importer/bottler or a business outside North Carolina that is licensed or permitted to manufacture
49 premixed cocktails in the jurisdiction where the business is located and whose products are
50 lawfully sold in this State."

51 **SECTION 22.(ww)** G.S. 18B-1113.1 reads as rewritten:

1 **"§ 18B-1113.1. Authorization of optional nonresident spirituous liquor vendor permit.**

2 (a) The following businesses may apply for and obtain a nonresident spirituous liquor
3 vendor permit:

- 4 (1) A business located outside the State that is licensed or permitted to
5 manufacture spirituous liquor in the jurisdiction where the business is located
6 and whose products are lawfully sold in this State.
7 (2) A brokerage.
8 (3) A liquor importer/bottler.

9 (b) The holder of a nonresident spirituous liquor vendor permit may deliver and ship
10 spirituous liquor or premixed cocktails that ~~has~~have been approved for sale in this State to the
11 permit holder's (i) employees in the State and (ii) brokerage if the brokerage also holds a
12 nonresident spirituous liquor vendor permit for the purposes of conducting special events
13 pursuant to G.S. 18B-1114.7. The permit holder may not ship or deliver more spirituous liquor
14 or premixed cocktails to its employees or brokerage than is necessary for any consumer tasting
15 event scheduled within one calendar month of the shipment or delivery. Nothing in this section
16 shall be interpreted to require a business to possess or obtain a nonresident spirituous liquor
17 vendor permit to do business in the ~~State or State~~, to obtain a spirituous liquor special event
18 permit pursuant to ~~G.S. 18B-1114.7~~G.S. 18B-1114.7, or to obtain a premixed cocktail special
19 event permit pursuant to G.S. 18B-1114.9.

20 (e) ~~For purposes of this section, "distillery" means the holder of a distillery permit issued~~
21 ~~under G.S. 18B-1105 or a business located outside the State that is licensed or permitted to~~
22 ~~manufacture spirituous liquor in the jurisdiction where the business is located and whose products~~
23 ~~are lawfully sold in this State."~~

24 **SECTION 22.(xx)** G.S. 18B-1114.7 is amended by adding a new subsection to read:

25 "(e) For purposes of this section, "spirituous liquor" includes premixed cocktails."

26 **SECTION 22.(yy)** Article 11 of Chapter 18B of the General Statutes is amended by
27 adding a new section to read:

28 **"§ 18B-1114.9. Authorization of premixed cocktail special event permit.**

29 (a) Authorization. – The holder of a distillery permit, a liquor importer/bottler permit, a
30 nonresident spirituous liquor vendor permit, or a nonresident premixed cocktail vendor permit
31 may obtain a premixed cocktail special event permit allowing the permittee to give free tastings
32 of its premixed cocktails; to sell branded merchandise such as glassware, cups, signs, t-shirts,
33 hats, and other apparel; and to sell its premixed cocktails in open or closed containers at shopping
34 malls and at trade shows, conventions, liquor festivals, street festivals, holiday festivals,
35 agricultural festivals, farmers markets, balloon races, local fundraisers, and other similar events
36 approved by the Commission. Except as provided in G.S. 18B-1105(a)(5a), all premixed
37 cocktails sampled or sold pursuant to this section must be purchased from a licensed premixed
38 cocktail wholesaler.

39 (b) Limitation. – A premixed cocktail special event permit is valid only in a jurisdiction
40 that has approved the sale of malt beverages, unfortified wine, fortified wine, or mixed beverages.
41 A premixed cocktail special event shall not be used as subterfuge for premixed cocktail suppliers
42 to ship directly to retail permittees unless otherwise authorized by law."

43 **SECTION 22.(zz)** G.S. 18B-1115 reads as rewritten:

44 **"§ 18B-1115. Commercial transportation.**

45 (a) Permit Required. – Unless a person holds a permit which otherwise allows ~~him~~the
46 person to transport more than 80 liters of malt beverages other than draft malt beverages in kegs,
47 80 liters of premixed cocktails, 50 liters of unfortified wine, or eight liters of fortified wine or
48 spirituous liquor, or is a retailer authorized to transport alcoholic beverages under G.S. 18B-405,
49 each person transporting alcoholic beverages in excess of those quantities shall have the permit
50 described in this section.

1 (b) When Transportation Legal. – No person may obtain a permit under this section to
 2 transport spirituous liquor unless the transportation is for delivery to a federal reservation over
 3 which North Carolina has ceded jurisdiction to the United States, for delivery to an ABC store,
 4 or for transport through this State to another state. This subsection does not apply to premixed
 5 cocktails.

6 ...
 7 (e) Transportation of Spirituous Liquor. – In addition to the requirements of subsection
 8 ~~(d)~~, (d) of this section, motor vehicle carriers engaged in transporting spirituous liquor shall:

- 9 (1) Deposit with the Commission a surety bond for one thousand dollars (\$1,000)
 10 conditioned that the carrier will not unlawfully transport spirituous liquor into
 11 or through this State. The bond, which shall be approved by the Commission,
 12 shall be payable to the State of North Carolina. If the bonded carrier is
 13 convicted of a violation covered by the bond, the proceeds of the forfeited
 14 bond shall be paid to the school fund of the county in which the liquor was
 15 seized.
- 16 (2) Include in its bill of lading, invoice or other memorandum of shipment the
 17 North Carolina code numbers of the spirituous liquor being transported.
- 18 (3) Include in its bill of lading, invoice or other memorandum of shipment the
 19 route which the vehicle will follow, and the vehicle shall not vary substantially
 20 from that stated route.

21 This subsection does not apply to premixed cocktails.

22 (f) ~~Malt Beverages and Wine Beverages, Wine, and Premixed Cocktails~~ Malt Beverages, Wine, and Premixed Cocktails Transported by
 23 Boats. – The owner or operator of any boat may transport malt beverages, unfortified ~~wine~~ wine,
 24 premixed cocktails, and fortified wine over the waters of this State if ~~he~~ the owner or operator
 25 satisfies all requirements of subsection ~~(d)~~ (d) of this section.

26"

27 **SECTION 22.(aaa)** G.S. 18B-1118 reads as rewritten:

28 "**§ 18B-1118. Purchase restrictions.**

29 The holder of a malt beverage wholesaler, wine wholesaler, premixed cocktail wholesaler,
 30 malt beverage importer, wine importer, or bottler permit may not purchase malt ~~beverages or~~
 31 ~~wine~~ beverages, wine, or premixed cocktails for resale in this State from a nonresident who does
 32 not have the proper nonresident vendor permit."

33 **SECTION 22.(bbb)** G.S. 18B-1119 reads as rewritten:

34 "**§ 18B-1119. Supplier's financial interest in wholesaler.**

35 (a) A supplier or an officer, director, employee or affiliate of a supplier may not acquire,
 36 possess, or otherwise maintain an ownership interest in its wholesaler except as expressly
 37 authorized by this Chapter.

38 ...

39 (c) A supplier or an officer, director, employee or affiliate of a supplier may have a
 40 security interest in the inventory or property of its wholesaler to secure payment for such
 41 inventory or other loans for other purposes.

42 (d) For purposes of this section, "supplier" means a manufacturer, bottler, importer, or
 43 owner of one or more brands of malt beverages, unfortified wine, premixed cocktails, or fortified
 44 wine distributed by its wholesaler. The term "supplier" does not include a wholesaler that meets
 45 either of the following criteria:

- 46 (1) The wholesaler also possesses a wine importer ~~permit or permit,~~ a malt
 47 beverages importer ~~permit~~ permit, or a liquor importer/bottler permit and does
 48 not directly or through an affiliated entity also possess a nonresident wine
 49 vendor ~~permit or permit,~~ a nonresident malt beverages vendor ~~permit~~ permit,
 50 or a nonresident premixed cocktail vendor permit issued pursuant to this
 51 Chapter.

- 1 (2) The wholesaler is an importer in another state, provided such malt beverages,
2 unfortified wine, premixed cocktails, or fortified wine are transferred to it
3 through an unaffiliated and independent third party."

4 **SECTION 22.(ccc)** G.S. 18B-1307(b) reads as rewritten:

5 "(b) Approval of Certain Transfers and Mergers. – Upon notice to and approval by the
6 supplier, an individual owning an interest in a wholesaler may sell, assign or transfer that interest,
7 including the wholesaler's rights under its franchise agreement with the supplier, to any qualified
8 person. Likewise, a wholesaler may merge with another wholesaler in the State, transferring to
9 the new wholesaler entity the merging wholesaler's existing franchise rights. Within 30 days of
10 receipt of notice of the intended sale, assignment, transfer, or merger, the supplier shall request
11 any additional relevant, material information reasonably necessary for deciding whether to
12 approve the transaction. The supplier shall have 30 days from receipt of that information to object
13 to the sale, assignment, transfer, or merger. The supplier may object only if the proposed
14 transferee, or the wholesalership resulting from the merger, fails to meet qualifications and
15 standards that are nondiscriminatory, material, reasonable and consistently applied to North
16 Carolina wholesalers by the supplier. The burden shall be upon the supplier to prove that the
17 proposed transferee or merged wholesaler is not qualified. In determining whether the proposed
18 transferee or merged wholesaler is a qualified person, the supplier shall consider, but is not
19 limited to, the following factors:

- 20 (1) Whether the proposed transferee has the financial capacity to purchase the
21 wholesaler or the specified interest upon terms that will not jeopardize the
22 future operation of the business, or whether the new entity resulting from a
23 merger will have such financial capacity to operate successfully, and whether
24 under such ownership the wholesaler will be able to provide financial support
25 necessary to the successful operation of the business, including market
26 spending, capital expenditures, and any equity capitalization or refinancing
27 requirements.
- 28 (2) Whether the proposed transferee, or the new entity resulting from a merger,
29 has the proven business experience to hire and maintain a management team
30 to successfully operate the business.
- 31 (3) If the proposed transferee does not have experience in the beer business,
32 whether the transferee has other experience to enable it to operate a
33 distributorship successfully and whether the transferee is willing to participate
34 in training provided by the supplier.
- 35 (4) Whether the proposed transferee, or a party to the merger, already is a
36 wholesaler for the supplier in a different territory and, if so, whether sufficient
37 time and attention can be devoted to an additional market area.

38 In determining whether a proposed transferee, or the entity resulting from a merger, is a
39 qualified person, a supplier must consider the business on its own merits and may not designate
40 a specifically identified person as the only purchaser who will be approved. Nothing in this
41 subsection is intended to or should be construed to authorize a supplier to match and reassign to
42 a designee the right to purchase the ownership interest, subject to the designee purchasing the
43 ownership interest. Provided, however, a supplier may match and reassign to a designee the right
44 to purchase the ownership interest, subject to the designee purchasing the ownership interest at
45 the price and on the conditions applicable to the purchase proposed by the transferee, if the total
46 annual gross sales of the supplier's malt beverages sold by the selling wholesaler total no more
47 than five percent (5%) of the selling wholesaler's total annual gross sales of ~~wine and malt~~
48 beverages-wine, malt beverages, and premixed cocktails in dollars."

49 **SECTION 22.(ddd)** Chapter 18B of the General Statutes is amended by adding a
50 new Article to read:

51 "Article 14.

"Premixed Cocktail Franchise Law.**"§ 18B-1400. Purpose.**

Pursuant to the authority of the State under the Twenty-First Amendment to the United States Constitution, the General Assembly finds that regulation of the business relations between premixed cocktail manufacturers and importers and the wholesalers of such products, for purposes of sales of premixed cocktails outside of ABC stores, is necessary to:

- (1) Maintain stability and healthy competition in the premixed cocktail industry in this State.
- (2) Promote and maintain a sound, stable, and viable three-tier system of distribution of premixed cocktails to the public.
- (3) Promote the compelling interest of the public in fair business relations between premixed cocktail suppliers and wholesalers, and in the continuation of premixed cocktail franchise agreements on a fair basis.
- (4) Maintain a uniform system of control over the sale, purchase, and distribution of premixed cocktails in the State.
- (5) Prevent unfair or unlawful trade practices by enabling wholesalers to refuse to participate in such practices without fear of arbitrary or unlawful retribution from suppliers.
- (6) Provide wholesalers with rights and remedies in addition to those existing by contract or common law.
- (7) Govern all agreements between suppliers and wholesalers, including any renewals or amendments.
- (8) Protect wholesalers against unfair treatment by suppliers.
- (9) Preserve investments made by wholesalers in franchise agreements through minimization of arbitrary termination.
- (10) Promote consumer choice by ensuring an independent wholesale distribution tier that enables wholesalers to distribute competing products of other suppliers.
- (11) Prevent vertical integration of the premixed cocktail market.

"§ 18B-1401. Definitions.

The following definitions apply in this Article:

- (1) Supplier. – A manufacturer, bottler, or importer of premixed cocktails, including anyone who holds a distillery permit, a liquor importer/bottler permit who imports or bottles premixed cocktails, or a nonresident premixed cocktail vendor permit.
- (2) Wholesaler. – The holder of a premixed cocktail wholesaler permit.

"§ 18B-1402. Franchise agreement.

(a) Nature of Agreement. – A franchise agreement is a commercial relationship between a wholesaler and supplier of a definite or indefinite duration, whether written or oral, including any of the following:

- (1) A relationship whereby a wholesaler is granted the right to offer and sell the brands of premixed cocktails offered by the supplier.
- (2) An agreement whereby a supplier grants to a wholesaler a license to use a trade name, trademark, service mark, or related characteristic and in which there is a community of interest in the marking of the products of the supplier by lease or otherwise.

(b) Existence of Agreement. – A franchise agreement as described in subsection (a) of this section exists when any of the following apply:

- (1) The supplier has shipped premixed cocktails to a wholesaler or accepted an order for premixed cocktails from the wholesaler.

- 1 (2) A wholesaler has paid or the supplier has accepted payment for an order of
2 premixed cocktails intended for sale within this State.
- 3 (3) The supplier and wholesaler have filed with the Commission a distribution
4 agreement as required by G.S. 18B-1403.
- 5 (4) A supplier acquires the right to manufacture a premixed cocktail product, or
6 the trade name for such product, or the right to distribute a product, for which
7 a wholesaler has a franchise agreement.

8 **"§ 18B-1403. Filing of distribution agreement; no discrimination.**

9 (a) Filing. – It is unlawful for a supplier to provide premixed cocktails to a wholesaler
10 unless the Commission has received notification from the supplier designating the brands of the
11 supplier which the wholesaler is authorized to sell and the territory in which such sales may take
12 place. If the supplier sells several brands, the agreement need not apply to all brands. A franchise
13 agreement applies to all supplier products under the same brand name, and different categories
14 of products manufactured under a common identifying trade name are considered to be the same
15 brand. No supplier may provide by a distribution agreement for the distribution of a brand to
16 more than one wholesaler for the same territory. A wholesaler shall not distribute any brand of
17 premixed cocktail to a retailer whose premises are located outside the territory specified in the
18 wholesaler's distribution agreement for that brand, except to a retail permittee's off-site airport
19 storage premises pursuant to G.S. 18B-1011. A wholesaler may, however, with the approval of
20 the Commission, distribute premixed cocktails outside its designated territory during periods of
21 temporary service interruption when requested to do so by the supplier and the wholesaler whose
22 service is interrupted.

23 (b) ABC Store Exception. – Notwithstanding subsection (a) of this section, nothing in
24 this Article shall prohibit a supplier from selling premixed cocktails to the ABC Commission for
25 resale in ABC stores. A supplier's sales to the Commission shall not constitute a distribution of
26 the brand within any wholesaler's franchised territory for purposes of this Article.

27 (c) No Discrimination. – A wholesaler shall service all retail permit holders within the
28 wholesaler's designated territory without discrimination and shall make a good-faith effort to
29 make available to each retail permit holder in the territory each brand of premixed cocktail which
30 the wholesaler has been authorized to distribute in that area. The provisions of this subsection
31 shall not apply to retail permit holder private label brands, which, at the retail permit holder's
32 direction, may be sold either exclusively to the retailer that owns the brand name or to all retail
33 permit holders within each territory without discrimination. For purposes of this subsection, the
34 term "retail permit holder private label brand" means a premixed cocktail product that is labeled
35 with a brand name owned by a retailer.

36 (d) No Price Maintenance. – A franchise agreement shall not, either expressly or by
37 implication or in its operation, establish or maintain the resale price of any brand of premixed
38 cocktails by a wholesaler.

39 **"§ 18B-1404. Prohibitions.**

40 It is unlawful for a supplier, or an officer, agent, or representative of a supplier, to do any of
41 the following:

- 42 (1) Coerce or attempt to coerce or persuade a wholesaler to violate any provision
43 of the ABC laws or rules of the Department of Revenue.
- 44 (2) Alter in a material way, terminate, fail to renew, or cause a wholesaler to
45 resign from a franchise agreement with a wholesaler except for good cause
46 and with the notice required by G.S. 18B-1405.
- 47 (3) Withdraw money from or otherwise access a wholesaler's bank accounts
48 without the wholesaler's consent.
- 49 (4) Present a franchise agreement, amendment, or renewal to a wholesaler that
50 attempts to waive compliance with any provision of this Article or that
51 requires a wholesaler to waive compliance with any provision of this Article.

1 A wholesaler entering into a franchise agreement containing provisions in
2 conflict with this Article shall not be deemed to waive rights protected by, or
3 in compliance with, any provision of this Article.

4 (5) Induce or coerce, or attempt to induce or coerce, any wholesaler to assent to
5 any franchise agreement, amendment, or renewal that does not comply with
6 this Article and the laws of this State.

7 (6) Coerce or attempt to coerce a wholesaler, or its designated or anticipated
8 successor, to sign a franchise agreement, amendment, or renewal to a
9 franchise agreement by threatening to refuse to approve or delay issuing an
10 approval for the sale, transfer, or merger of a wholesaler's business.

11 (7) Terminate, cancel, or nonrenew or attempt to terminate, cancel, or nonrenew
12 a franchise agreement on the basis that the wholesaler fails to agree or consent
13 to an amendment to the franchise agreement.

14 (8) Prohibit a wholesaler from distributing the product of any other supplier,
15 except that a supplier may prohibit a wholesaler from distributing the product
16 of another supplier if reasonable grounds exist for prohibiting the wholesaler's
17 acquisition of the product and the acquisition would result in the wholesaler
18 acquiring eighty percent (80%) or more by volume of all premixed cocktail
19 products sold in the territory being acquired at the time of the acquisition.

20 (9) Refuse to approve or require a wholesaler to terminate a brand manager or
21 successor manager without good cause. A supplier has good cause only if the
22 person designated for approval by the wholesaler fails to meet reasonable
23 standards and qualifications.

24 (10) Discriminate in price, allowance, rebate, refund, payment term, commission,
25 discount, or service between wholesalers licensed in North Carolina. As used
26 in this subdivision, "discriminate" means the granting of a more favorable
27 price, allowance, rebate, refund, payment term, commission, discount, or
28 service to one North Carolina wholesaler than to another North Carolina
29 wholesaler based on the quantity of premixed cocktails purchased or for any
30 other reason, but "discriminate" shall exclude the granting of more favorable
31 freight and transportation costs, price promotions on premixed cocktail
32 products for special events in a particular market not to exceed 14 consecutive
33 days, point-of-sale advertising materials, sponsorships, consumer specialty
34 items, consumer sweepstakes, and novelties. A supplier may, however, offer
35 a lower price or discount in order to match that of a competing supplier on a
36 similar category of premixed cocktail products in the entire State or in a
37 particular market. This subdivision shall not apply to a supplier's sales to the
38 ABC Commission.

39 **§ 18B-1405. Cause for termination of franchise agreement.**

40 (a) Meaning of Good Cause. – Good cause for altering or terminating a franchise
41 agreement, or failing to renew or causing a wholesaler to resign from such an agreement, exists
42 when the wholesaler fails to comply with provisions of the agreement which are reasonable,
43 material, not unconscionable, and which are not discriminatory when compared with the
44 provisions imposed, by their terms or in the manner of enforcement, on other similarly situated
45 wholesalers by the supplier. The meaning of good cause set out in this section may not be
46 modified or superseded by provisions in a written franchise agreement prepared by a supplier if
47 those provisions purport to define good cause in a manner different than specified in this section.
48 In any dispute over alteration, termination, failure to renew, or causing a wholesaler to resign
49 from a franchise agreement, the burden is on the supplier to establish that good cause exists for
50 the action.

1 **(b) Notice of Cause.** – At least 90 days before altering, terminating, or failing to renew a
2 franchise agreement for good cause, the supplier must give the wholesaler written notice of the
3 intended action and the specific reasons for it. If the cause for the alteration, termination, or
4 failure to renew is subject to correction by the wholesaler, and the wholesaler makes such
5 correction within 45 days of receipt of the notice, the notice shall be void.

6 **(c) Termination for Cause without Advance Notice.** – A supplier may terminate or fail to
7 renew a franchise agreement for any of the following reasons and the termination shall be
8 complete upon receipt by the wholesaler of a written notice of the termination and the reason:

9 **(1)** Insolvency of the wholesaler, the dissolution or liquidation of the wholesaler,
10 or the filing of any petition by or against the wholesaler under any bankruptcy
11 or receivership law which materially affects the wholesaler's ability to remain
12 in business.

13 **(2)** Revocation of the wholesaler's State or federal permit or license for more than
14 30 days.

15 **(3)** Conviction of the wholesaler, or of a partner or individual who owns ten
16 percent (10%) or more of the partnership or stock of the wholesaler, of a
17 felony which might reasonably be expected to adversely affect the goodwill
18 or interest of the wholesaler or supplier. The provisions of this subdivision
19 shall not apply, however, if the wholesaler or its existing partners or
20 stockholders shall have the right to purchase the interest of the offending
21 partner or stockholder, and such purchase is completed within 30 days of the
22 conviction.

23 **(4)** Fraudulent conduct by the wholesaler in its dealings with the supplier or its
24 products.

25 **(5)** Failure of the wholesaler to pay for the supplier's products according to the
26 established terms of the supplier.

27 **(6)** Assignment, sale, or transfer of the wholesaler's business or control of the
28 wholesaler without the written consent of the supplier, except as provided in
29 G.S. 18B-1407.

30 **(d) Absence of Good Cause.** – Good cause for alteration, termination, or failure to renew
31 a franchise agreement does not include:

32 **(1)** The failure or refusal of the wholesaler to engage in any trade practice,
33 conduct, or activity which would violate federal or State law.

34 **(2)** The failure or refusal of the wholesaler to take any action which would be
35 contrary to the provisions of this Article.

36 **(3)** A change in the ownership of the supplier or the acquisition by another
37 supplier of the distillery, brand, or trade name or trademark, or acquisition of
38 the right to distribute a product, from the original supplier.

39 **(4)** Sale or transfer of the rights to manufacture, distribute, or use the trade name
40 of the brand to a successor supplier.

41 **(5)** Failure of the wholesaler to meet standards of operation or performance that
42 have been imposed or revised unilaterally by the supplier without a fair
43 opportunity for the individual wholesaler to bargain as to the terms, unless the
44 supplier has implemented the standards on a national basis and those standards
45 are consistently applied to all similarly situated North Carolina wholesalers in
46 a nondiscriminatory manner.

47 **(6)** The establishment of a franchise agreement between a wholesaler and another
48 supplier, or similar acquisition by a wholesaler of the right to distribute a
49 brand of another supplier.

50 **(7)** The desire of a supplier to consolidate its franchises.

51 **"§ 18B-1406. Remedies for wrongful termination.**

1 (a) Injunctive Relief. – A wholesaler whose franchise agreement is altered, terminated,
2 or not renewed in violation of this Article may bring an action to enjoin such unlawful alteration,
3 termination, or failure to renew. The action may be brought in the county in which the wholesaler
4 has its principal place of business or in any county in which the wholesaler receives or distributes
5 the products in issue. Any injunction issued pursuant to this subsection shall require the
6 wholesaler to supply the customers in its territory with their reasonable retail requirements and
7 to otherwise serve the territory.

8 (b) Monetary Damages. – In lieu of injunctive relief, a wholesaler whose franchise
9 agreement is altered, terminated, or not renewed in violation of this Article shall be entitled to
10 recover monetary damages from the supplier. The amount to which the wholesaler is entitled
11 shall be the value of the wholesaler's business distributing the supplier's products, including:

12 (1) The laid-in costs to the wholesaler of the inventory of the supplier's products,
13 including any State and local taxes paid on the inventory by the wholesaler,
14 plus a reasonable charge for handling of the products upon surrender of the
15 inventory to the supplier.

16 (2) The fair market value of all assets, including ancillary businesses of the
17 wholesaler used in distributing the supplier's products. The total compensation
18 to be paid to the wholesaler shall be reduced, however, by any amount
19 received by the wholesaler from sale of assets of the business used in
20 distributing the supplier's products as well as by the value such assets have to
21 the wholesaler unrelated to the supplier's products. "Fair market value" means
22 the highest dollar amount at which a seller would be willing to sell and a buyer
23 willing to buy at a time prior to the alteration, termination, or failure to renew,
24 when each possesses all information relevant to the transaction.

25 **§ 18B-1407. Transfer or merger of wholesaler's business.**

26 (a) Right of Transfer to Designated Family Member. – An individual's interest in a
27 wholesaler business, including the rights under the franchise agreement with the supplier, may
28 be transferred or assigned to a designated family member. The transfer or assignment shall not
29 be effective until written notice is given to the supplier, but the supplier's consent is not required
30 for the transfer or assignment. "Designated family member" means the wholesaler's spouse, child,
31 grandchild, parent, brother, sister, niece, or nephew. With respect to an incapacitated individual
32 having an ownership interest in a wholesaler, the term "designated family member" also means
33 the person appointed by the court as the conservator of such individual's property. The term also
34 includes the appointed and qualified personal representative and the testamentary trustee of a
35 deceased wholesaler.

36 (b) Approval of Certain Transfers and Mergers. – Upon notice to and approval by the
37 supplier, an individual owning an interest in a wholesaler may sell, assign, or transfer that
38 interest, including the wholesaler's rights under its franchise agreement with the supplier, to any
39 qualified person. Likewise, a wholesaler may merge with another wholesaler in the State,
40 transferring to the new wholesaler entity the merging wholesaler's existing franchise rights.
41 Within 30 days of receipt of notice of the intended sale, assignment, transfer, or merger, the
42 supplier shall request any additional relevant, material information reasonably necessary for
43 deciding whether to approve the transaction. The supplier shall have 30 days from receipt of that
44 information to object to the sale, assignment, transfer, or merger. The supplier may object only
45 if the proposed transferee, or the wholesalership resulting from the merger, fails to meet
46 qualifications and standards that are nondiscriminatory, material, reasonable, and consistently
47 applied to North Carolina wholesalers by the supplier. The burden shall be upon the supplier to
48 prove that the proposed transferee or merged wholesaler is not qualified. In determining whether
49 the proposed transferee or merged wholesaler is a qualified person, the supplier shall consider,
50 but is not limited to, the following factors:

- 1 (1) Whether the proposed transferee has the financial capacity to purchase the
2 wholesaler or the specified interest upon terms that will not jeopardize the
3 future operation of the business, or whether the new entity resulting from a
4 merger will have such financial capacity to operate successfully, and whether
5 under such ownership the wholesaler will be able to provide financial support
6 necessary to the successful operation of the business, including market
7 spending, capital expenditures, and any equity capitalization or refinancing
8 requirements.
- 9 (2) Whether the proposed transferee, or the new entity resulting from a merger,
10 has the proven business experience to hire and maintain a management team
11 to successfully operate the business.
- 12 (3) If the proposed transferee does not have experience in the premixed cocktail
13 business, whether the transferee has other experience to enable it to operate a
14 distributorship successfully and whether the transferee is willing to participate
15 in training provided by the supplier.
- 16 (4) Whether the proposed transferee, or a party to the merger, already is a
17 wholesaler for the supplier in a different territory and, if so, whether sufficient
18 time and attention can be devoted to an additional market area.

19 In determining whether a proposed transferee, or the entity resulting from a merger, is a
20 qualified person, a supplier must consider the business on its own merits and may not designate
21 a specifically identified person as the only purchaser who will be approved. Nothing in this
22 subsection is intended to or should be construed to authorize a supplier to match and reassign to
23 a designee the right to purchase the ownership interest, subject to the designee purchasing the
24 ownership interest. Provided, however, a supplier may match and reassign to a designee the right
25 to purchase the ownership interest, subject to the designee purchasing the ownership interest at
26 the price and on the conditions applicable to the purchase proposed by the transferee, if the total
27 annual gross sales of the supplier's premixed cocktails sold by the selling wholesaler total no
28 more than five percent (5%) of the selling wholesaler's total annual gross sales of wine, malt
29 beverages, and premixed cocktails in dollars.

30 (c) Damages. – A supplier who disapproves or prevents a proposed assignment or change
31 of ownership or merger in violation of this section shall be liable to the wholesaler who proposed
32 to make the sale, assignment, transfer, or merger for the difference between the disapproved sale
33 price and a subsequent actual price of a sale of the same assets completed within a reasonable
34 period. If, however, the proposed transfer or sale was to a business associate at a bargain price,
35 the amount of compensation shall be at least the fair market value of the interest proposed to be
36 sold or transferred, minus the proceeds of an actual sale of the interest completed within a
37 reasonable time.

38 **"§ 18B-1408. Article part of all franchise agreements.**

39 The provisions of this Article shall be part of all franchise agreements as defined in
40 G.S. 18B-1402 and may not be altered by the parties. A wholesaler's rights under this Article
41 may not be waived or superseded by the provisions of a written franchise agreement prepared by
42 a supplier that are in any way inconsistent with or contrary to any part of this Article. The rights
43 of a wholesaler under this Article shall remain in effect regardless of a provision in a written
44 franchise agreement prepared by a supplier that purports to require arbitration of a franchise
45 dispute or that purports to require legal remedies to be sought in a different jurisdiction.

46 **"§ 18B-1409. Mediation at direction of Alcoholic Beverage Control Commission.**

47 If a dispute arises between a wholesaler and supplier under this Article, and such dispute
48 appears likely to lead to litigation, the Commission, upon request of any party or on its own
49 initiative, may require the parties to participate in mediation in an effort to resolve the dispute.
50 This authority shall be in addition to the Commission's authority to issue declaratory rulings
51 pursuant to G.S. 150B-4. The Commission may designate the mediator, in which case the

1 Commission shall pay the mediator's fee, or the Commission may direct the parties to agree upon
 2 and share the costs of a mediator. If the parties then cannot agree upon a mediator, the
 3 Commission shall designate the mediator, and the fees shall be divided evenly by the parties. The
 4 Commission shall direct that the mediation be completed within a specified period of time.
 5 Except for injunctive relief, no lawsuit or other legal action concerning the dispute may be filed
 6 until the mediation is completed and is unsuccessful, unless necessary to avoid expiration of a
 7 statute of limitation."

8 **SECTION 22.(eee)** G.S. 66-58 reads as rewritten:

9 **"§ 66-58. Sale of merchandise or services by governmental units.**

10 (a) Except as provided in this section, it is unlawful for any unit, department, or agency
 11 of the State government, or any division or subdivision of the unit, department, or agency, or any
 12 individual employee or employees of the unit, department, or agency in his, her, or their capacity
 13 as employee or employees thereof to engage directly or indirectly in the sale of goods, wares, or
 14 merchandise in competition with citizens of the State, or to engage in the operation of restaurants,
 15 cafeterias or other eating places in any building owned by or leased in the name of the State, or
 16 to maintain service establishments for the rendering of services to the public ordinarily and
 17 customarily rendered by private enterprises, or to provide transportation services, or to contract
 18 with any person, firm, or corporation for the operation or rendering of the businesses or services
 19 on behalf of the unit, department, or agency, or to purchase for or sell to any person, firm, or
 20 corporation any article of merchandise in competition with private enterprise. The leasing or
 21 subleasing of space in any building owned, leased, or operated by any unit, department, agency,
 22 division, or subdivision of the State for the purpose of operating or rendering of any of the
 23 businesses or services referred to in this section is prohibited.

24 (b) Subsection (a) of this section does not apply to any of the following:

25 ...

26 (29) The ABC Commission and local ABC boards for purposes of the sale of
 27 premixed cocktails.

28"

29 **SECTION 22.(fff)** G.S. 105-113.68 reads as rewritten:

30 **"§ 105-113.68. Definitions; scope.**

31 (a) Definitions. – The following definitions apply in this Article:

32 ...

33 (8) Person. – Defined in G.S. 105-228.90.

34 (8a) Premixed cocktail. – Defined in G.S. 18B-101.

35 ...

36 (13) Wholesaler or importer. – When used with reference to a wholesaler or an
 37 importer of ~~wine or wine~~, malt beverages, or premixed cocktails, the term
 38 includes (i) a resident winery and a wine producer that sells its wines, or wine
 39 produced for the permittee under contract, at wholesale to a retailer or at ~~retail~~
 40 ~~and retail~~, (ii) a resident brewery that sells its malt beverages, or malt
 41 beverages produced for the permittee under contract, at wholesale to a retailer
 42 or at ~~retail-retail~~, and (iii) a resident distillery that sells its premixed cocktails,
 43 or premixed cocktails produced for the permittee under contract, at wholesale
 44 to a retailer or at retail. This subdivision applies to a person that holds any of
 45 the following permits issued by the ABC Commission:

46 ...

47 g. Malt beverages wholesaler permit under G.S. 18B-1109.

48 h. Wine producer permit under G.S. 18B-1114.3.

49 i. Premixed cocktail wholesaler permit under G.S. 18B-1109.1.

50 ...

1 (b) Scope. – All alcoholic beverages shall be taxed as provided in this Article regardless
2 whether they meet all criteria of these definitions."

3 **SECTION 22.(ggg)** G.S. 105-113.79 reads as rewritten:

4 "**§ 105-113.79. City wholesaler license.**

5 A city may require city malt ~~beverage and wine beverage~~, wine, and premixed cocktail
6 wholesaler licenses for businesses located inside the city, but may not require a license for a
7 business located outside the city, regardless whether that business sells or delivers malt ~~beverages~~
8 or wine beverages, wine, or premixed cocktails inside the city. The city may charge an annual
9 tax of not more than thirty-seven dollars and fifty cents (\$37.50) for a ~~city malt beverage~~
10 wholesaler or a city wine wholesaler license.license under this section."

11 **SECTION 22.(hhh)** G.S. 105-113.80 reads as rewritten:

12 "**§ 105-113.80. Excise taxes on malt beverages, wine, and ~~liquor~~liquor, and premixed**
13 **cocktails.**

14 (a) Malt Beverage. – An excise tax of sixty-one and seventy-one hundredths cents
15 (61.71¢) per gallon is levied on the sale of malt beverages.

16 (b) Wine. – An excise tax of twenty-six and thirty-four hundredths cents (26.34¢) per
17 liter is levied on the sale of unfortified wine, and an excise tax of twenty-nine and thirty-four
18 hundredths cents (29.34¢) per liter is levied on the sale of fortified wine.

19 (c) Liquor. – An excise tax of thirty percent (30%) is levied on spirituous liquor and
20 antique spirituous liquor sold in ABC stores, permitted distilleries, and in establishments holding
21 an on- or off-premises unfortified wine permit in a distillery estate district pursuant to
22 G.S. 18B-1006(r). Pursuant to G.S. 18B-804(b), the price of liquor on which this tax is computed
23 is the spirituous liquor or antique spirituous liquor seller's price plus (i) the State ABC warehouse
24 freight and bailment charges and (ii) a markup for local ABC boards, unless otherwise specified
25 by law.

26 (d) Premixed Cocktails. – An excise tax of two dollars and fifty cents (\$2.50) per gallon
27 is levied on the sale of premixed cocktails."

28 **SECTION 22.(iii)** G.S. 105-113.81 reads as rewritten:

29 "**§ 105-113.81. Exemptions.**

30 (a) Major Disaster. – Wholesalers and importers of malt ~~beverages and wine beverages~~,
31 wine, and premixed cocktails are not required to remit excise taxes on malt ~~beverages or wine~~
32 beverages, wine, or premixed cocktails rendered unsalable by a major disaster. To qualify for
33 this exemption, the wholesaler or importer shall prove to the satisfaction of the Secretary that a
34 major disaster occurred. A major disaster is the destruction, spoilage, or rendering unsalable of
35 50 or more cases, or the equivalent, of malt ~~beverages~~beverages or premixed cocktails or 25 or
36 more cases, or the equivalent, of wine.

37 (b) Sales to Oceangoing Vessels. – Wholesalers and importers of malt ~~beverages and~~
38 wine beverages, wine, and premixed cocktails are not required to remit excise taxes on malt
39 ~~beverages and wine beverages~~, wine, and premixed cocktails sold and delivered for use on
40 oceangoing vessels. An oceangoing vessel is a ship that plies the high seas in interstate or foreign
41 commerce, in the transport of freight or passengers, or both, for hire exclusively. To qualify for
42 this exemption the beverages shall be delivered to an officer or agent of the vessel for use on that
43 vessel. Sales made to officers, agents, crewmen, or passengers for their personal use are not
44 exempt.

45 (c) Sales to Armed Forces of the United States. – Wholesalers and importers of malt
46 ~~beverages and wine beverages~~, wine, and premixed cocktails are not required to remit excise
47 taxes on malt ~~beverages and wine beverages~~, wine, and premixed cocktails sold to the Armed
48 Forces of the United States. The Secretary may require malt ~~beverages and wine beverages~~, wine,
49 and premixed cocktails sold to the Armed Forces of the United States to be marked "For Military
50 Use Only" to facilitate identification of those beverages.

1 (d) Out-of-State Sales. – Wholesalers and importers of malt ~~beverages and wine~~
2 beverages, wine, and premixed cocktails are not required to remit excise taxes on malt ~~beverages~~
3 and wine beverages, wine, and premixed cocktails shipped out of this State for resale outside the
4 State.

5 (e) Tasting. – Resident breweries, wineries, and distilleries are not required to remit
6 excise taxes on malt beverages, wine, premixed cocktails, or spirituous liquor given free of
7 charge to customers, visitors, and employees on the manufacturer's licensed premises for
8 consumption on those premises.

9"

10 **SECTION 22.(jjj)** G.S. 105-113.83 is amended by adding a new subsection to read:

11 "(a2) Premixed Cocktails. – The excise tax on premixed cocktails levied under
12 G.S. 105-113.80(d) is payable by the resident wholesaler or importer who first handles the
13 beverages in this State. The taxes on premixed cocktails are payable only once on the same
14 beverages. The wholesaler or importer must file a monthly report, and the report is due on or
15 before the fifteenth day of the month following the month covered by the report. The report must
16 include the sales records for the month for which the taxes are paid, indicate the amount of excise
17 tax due, and indicate separately any transactions to which the excise tax does not apply."

18 **SECTION 22.(lll)** G.S. 105-113.83A(a) reads as rewritten:

19 "(a) Registration Required. – A person who holds a wine shipper permit issued under
20 G.S. 18B-1001.1 or one or more of the following ABC permits issued under Article 11 of Chapter
21 18B of the General Statutes must register with the Secretary:

22 ...

23 (12) Nonresident spirituous liquor vendor.

24 (13) Premixed cocktail wholesaler.

25 (14) Nonresident premixed cocktail vendor."

26 **SECTION 22.(mmm)** G.S. 105-251.2(b) is amended by adding a new subdivision
27 to read:

28 "(5) A premixed cocktail wholesaler, as defined in G.S. 18B-1401."

29 **SECTION 22.(nnn)** G.S. 153A-145.7 reads as rewritten:

30 **"§ 153A-145.7. Hours of certain alcohol sales.**

31 In accordance with G.S. 18B-1004(c), a county may adopt an ordinance allowing for the sale
32 of malt beverages, unfortified wine, premixed cocktails, fortified wine, and mixed beverages
33 beginning at 10:00 A.M. on Sunday pursuant to the licensed premises' permit issued under
34 G.S. 18B-1001."

35 **SECTION 22.(ooo)** G.S. 160A-205.3 reads as rewritten:

36 **"§ 160A-205.3. Hours of certain alcohol sales.**

37 In accordance with G.S. 18B-1004(c), a city may adopt an ordinance allowing for the sale of
38 malt beverages, unfortified wine, premixed cocktails, fortified wine, and mixed beverages
39 beginning at 10:00 A.M. on Sunday pursuant to the licensed premises' permit issued under
40 G.S. 18B-1001."

41 **SECTION 22.(ppp)** The rules of the Alcoholic Beverage Control Commission
42 pertaining to the possession, consumption, and sale of malt beverages shall apply equally to
43 premixed cocktails. The Commission shall amend its rules as soon as practicable to be consistent
44 with this section.

45 **SECTION 22.(qqq)** Section 22(ddd) of this act is effective when it becomes law and
46 applies to distribution agreements entered into and transactions conducted on or after that date.
47 The remainder of this section becomes effective October 1, 2026, and applies to premixed
48 cocktails sold on or after that date.

49
50 **ALLOW WINERIES TO SELL MALT BEVERAGES FOR ON-PREMISES**
51 **CONSUMPTION**

1 **SECTION 23.(a)** G.S. 18B-1001(1) reads as rewritten:

2 "(1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
3 authorizes (i) the retail sale of malt beverages for consumption on the
4 premises, either alone or mixed with other beverages, (ii) the retail sale of malt
5 beverages in the manufacturer's original container for consumption off the
6 premises, and (iii) the retail sale of malt beverages in a cleaned and sanitized
7 container that is filled or refilled and sealed for consumption off the premises
8 and that identifies the permittee and the date the container was filled or
9 refilled. The permit also authorizes the permittee to transfer malt beverages,
10 not more than four times per calendar year, to another on-premises malt
11 beverage permittee that is under common ownership or control as the
12 transferor. Except as authorized by this subdivision, transfers of malt
13 beverages by on-premises malt beverage permittees, purchases of malt
14 beverages by a retail permittee from another retail permittee for the purpose
15 of resale, and sales of malt beverages by a retail permittee to another retail
16 permittee for the purpose of resale are unlawful. In addition, a particular brand
17 of malt beverages may be transferred only if both the transferor and transferee
18 are located within the territory designated between the brewery and the
19 wholesaler on file with the Commission. Prior to or contemporaneous with
20 any such transfer, the transferor shall notify each wholesaler who distributes
21 the transferred product of the transfer. The notice shall be in writing or
22 verifiable electronic format and shall identify the transferor and transferee, the
23 date of the transfer, quantity, and items transferred. It also authorizes the
24 holder of the permit to ship malt beverages in closed containers to individual
25 purchasers inside and outside the State. The permit may be issued for any of
26 the following:

- 27 a. Restaurants.
28 b. Hotels.
29 c. Eating establishments.
30 d. Food businesses.
31 e. Retail businesses.
32 f. Private clubs.
33 g. Convention centers.
34 h. Community theatres.
35 i. Breweries as authorized by subdivisions (7) and (8) of
36 G.S. 18B-1104(a).
37 j. Sports and entertainment venues.
38 k. Bars.
39 l. The holder of a distillery permit authorized under G.S. 18B-1105.
40 m. Wineries as authorized by G.S. 18B-1101(5a) and
41 G.S. 18B-1102(5a)."

42 **SECTION 23.(b)** G.S. 18B-1101 reads as rewritten:

43 "**§ 18B-1101. Authorization of unfortified winery permit.**

44 The holder of an unfortified winery permit may:

- 45 ...
- 46 (5) Regardless of the results of any local wine election, sell the wine owned by
47 the winery at the winery for on- or off-premise consumption upon obtaining
48 the appropriate permit under G.S. 18B-1001;
- 49 (5a) Regardless of the results of any local malt beverage election, sell malt
50 beverages for on-premise consumption upon obtaining the appropriate permit
51 under G.S. 18B-1001;

1 "
 2 **SECTION 23.(c)** G.S. 18B-1102 reads as rewritten:
 3 **"§ 18B-1102. Authorization of fortified winery permit.**
 4 The holder of a fortified winery permit may:

- 5 ...
- 6 (5) Regardless of the results of any local wine election, sell the winery's wine for
 7 on-or off-premise consumption upon obtaining the appropriate permit under
 8 G.S. 18B-1001.
- 9 (5a) Regardless of the results of any local malt beverage election, sell malt
 10 beverages for on-premise consumption upon obtaining the appropriate permit
 11 under G.S. 18B-1001.

12 "
 13 **SECTION 23.(d)** This section is effective when it becomes law.

14
 15 **ALLOW OFF-PREMISES WINE TASTINGS AND CLARIFY THAT WINE SHOP**
 16 **PERMITTEES MAY HOLD MALT BEVERAGE SHOP PERMITS AND THAT MALT**
 17 **BEVERAGE SHOP PERMITTEES MAY HOLD WINE SHOP PERMITS**

18 **SECTION 24.** G.S. 18B-1001 reads as rewritten:
 19 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

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

- 22 ...
- 23 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
 24 permit authorizes (i) the retail sale of unfortified wine for consumption on the
 25 premises, either alone or mixed with other beverages, (ii) the retail sale of
 26 unfortified wine in the manufacturer's original container for consumption off
 27 the premises, ~~and~~ (iii) the retail sale of unfortified wine dispensed from a tap
 28 connected to a pressurized container utilizing carbon dioxide or similar gas
 29 into a cleaned and sanitized container that is filled or refilled and sealed for
 30 consumption off the premises and that identifies the permittee and the date the
 31 container was filled or ~~refilled~~-refilled, and (iv) wine tastings conducted at a
 32 consumer's private residence or a location not holding a permit under this
 33 section where consumers are educated about selection, serving, and storing of
 34 wine by the permittee or the permittee's employee or agent utilizing wine from
 35 the permit holder's inventory and consumers may purchase wine for future
 36 delivery or pickup at the permittee's permitted premises. The permit also
 37 authorizes the permittee to transfer unfortified wine, not more than four times
 38 per calendar year, to another on-premises unfortified wine permittee that is
 39 under common ownership or control as the transferor. Except as authorized
 40 by this subdivision, transfers of wine by on-premises unfortified wine
 41 permittees, purchases of wine by a retail permittee from another retail
 42 permittee for the purpose of resale, and sale of wine by a retail permittee to
 43 another retail permittee for the purpose of resale are unlawful. In addition, a
 44 particular brand of wine may be transferred only if both the transferor and
 45 transferee are located within the territory designated between the winery and
 46 the wholesaler on file with the Commission. Prior to or contemporaneous with
 47 any such transfer, the transferor shall notify each wholesaler who distributes
 48 the transferred product of the transfer. The notice shall be in writing or
 49 verifiable electronic format and shall identify the transferor and transferee, the
 50 date of the transfer, quantity, and items transferred. The holder of the permit
 51 is authorized to ship unfortified wine in closed containers to individual

1 purchasers inside and outside the State. Orders received by a winery by
 2 telephone, Internet, mail, facsimile, or other off-premises means of
 3 communication shall be shipped pursuant to a wine shipper permit and not
 4 pursuant to this subdivision. The permit may be issued for any of the
 5 following:

- 6 a. Restaurants.
- 7 b. Hotels.
- 8 c. Eating establishments.
- 9 d. Private clubs.
- 10 e. Convention centers.
- 11 f. Cooking schools.
- 12 g. Community theatres.
- 13 h. Wineries.
- 14 i. Wine producers.
- 15 j. Retail businesses.
- 16 k. Sports and entertainment venues.
- 17 l. Bars.
- 18 m. The holder of a distillery permit authorized under G.S. 18B-1105.
- 19 n. Breweries.

20 Additionally, an on-premises unfortified wine permit authorizes a permittee
 21 that is a restaurant, eating establishment, hotel, private club, bar, brewery,
 22 winery, or wine producer to sell at retail single-serving unfortified wine drinks
 23 for consumption off the premises, including delivery by the permittee or a
 24 delivery service permittee. Single-serving unfortified wine drinks sold for
 25 consumption off the premises must be sold with food and shall be packaged
 26 in a container with a secure lid or cap and in a manner designed to prevent
 27 consumption without removal of the lid or cap. The container shall be no
 28 greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the
 29 transportation of single-serving unfortified wine drinks in a motor vehicle
 30 shall not be unlawful if the container is an unopened manufacturer's original
 31 container or is transported in a locked container, in the trunk, or in the area
 32 behind the last upright seat in a motor vehicle not equipped with a trunk.
 33 Notwithstanding G.S. 18B-1010, the sale of more than two single-serving
 34 unfortified wine drinks at one time shall not be unlawful if the single-serving
 35 unfortified wine drinks are sold for delivery or consumption off the permittee's
 36 premises. No single-serving unfortified wine by the drink ordered for
 37 off-premises consumption shall be provided to any person other than the
 38 purchaser of the single-serving unfortified wine drink, except that in the case
 39 of delivery, the delivery service permittee through its employees or agents
 40 may provide the single-serving unfortified wine drink to a person other than
 41 the purchaser if the permittee or the permittee's employees or agents verify
 42 that the person is over 21 years of age using age verification software requiring
 43 the recipient to provide a form of photographic identification authorized in
 44 G.S. 18B-302(d)(1).

- 45 ...
- 46 (16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt
 47 beverages, unfortified wine, and fortified wine in the manufacturer's original
 48 container for consumption off the premises, (ii) the retail sale of malt
 49 beverages or unfortified wine dispensed from a tap connected to a pressurized
 50 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
 51 container that is filled or refilled and sealed for consumption off the premises

1 and that identifies the permittee and the date the container was filled or
2 refilled, ~~and~~(iii) wine tastings on the premises conducted and supervised by
3 the permittee in accordance with subdivision (15) of this ~~section~~~~section~~, and
4 (iv) wine tastings conducted at a consumer's private residence or a location
5 not holding a permit under this section where consumers are educated about
6 selection, serving, and storing of wine by the permittee or the permittee's
7 employee or agent utilizing wine from the permit holder's inventory and
8 consumers may purchase wine for future delivery or pickup at the permittee's
9 permitted premises. It also authorizes the holder of the permit to ship malt
10 beverages, unfortified wine, and fortified wine in closed containers to
11 individual purchasers inside and outside the State. The permit may be issued
12 for retail businesses whose primary purpose is selling malt beverages and wine
13 for consumption off the premises and regularly and customarily educating
14 consumers through tastings, classes, and seminars about the selection, serving,
15 and storing of wine. The holder of the permit is authorized to sell unfortified
16 wine for consumption on the premises, provided ~~that that~~, except as otherwise
17 provided in this subdivision, the sale of wine for consumption on the premises
18 does not exceed forty percent (40%) of the establishment's total sales for any
19 30-day period. The holder of a wine-tasting permit not engaged in the
20 preparation or sale of food on the premises is not subject to Part 6 of Article 8
21 of Chapter 130A of the General Statutes. A holder of a wine shop permit shall
22 also be eligible to hold a malt beverage shop permit under
23 G.S. 18B-1001(16a). If the holder of a wine shop permit also holds a malt
24 beverage shop permit, then the sales of alcoholic beverages for consumption
25 on the premises may not exceed forty percent (40%) of the establishment's
26 total sales for any 30-day period.

27 (16a) Malt Beverage Shop Permit. – A malt beverage shop permit authorizes (i) the
28 retail sale of malt beverages, unfortified wine, and fortified wine in the
29 manufacturer's original container for consumption off the premises, (ii) the
30 retail sale of malt beverages dispensed from a tap connected to a pressurized
31 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
32 container that is filled or refilled and sealed for consumption off the premises
33 and that identifies the permittee and the date the container was filled or
34 refilled, and (iii) malt beverage tastings on the premises conducted and
35 supervised by the permittee in accordance with subdivision (18) of this
36 section. It also authorizes the holder of the permit to ship malt beverages,
37 unfortified wine, and fortified wine in closed containers to individual
38 purchasers inside and outside the State. The permit may be issued for retail
39 businesses whose primary purpose is selling malt beverages for consumption
40 off the premises and regularly and customarily educating consumers through
41 tastings, classes, and seminars about the selection, serving, and storing of malt
42 beverages. The holder of the permit is authorized to sell malt beverages for
43 consumption on the premises, provided ~~that that~~, except as otherwise provided
44 in this subdivision, the sale of malt beverages, combined, for consumption on
45 the premises does not exceed forty percent (40%) of the establishment's total
46 sales for any 30-day period. The holder of a malt beverage tasting permit not
47 engaged in the preparation or sale of food on the premises is not subject to
48 Part 6 of Article 8 of Chapter 130A of the General Statutes. A holder of a malt
49 beverage shop permit shall also be eligible to hold a wine shop permit under
50 G.S. 18B-1001(16). If the holder of a malt beverage shop permit also holds a
51 wine shop permit, then the sales of alcoholic beverages for consumption on

1 the premises may not exceed forty percent (40%) of the establishment's total
 2 sales for any 30-day period.

3 "

5 **CLARIFY SAFE HARBOR FOR LATE ABC PERMIT RENEWALS**

6 **SECTION 25.(a)** G.S. 18B-903 reads as rewritten:

7 "**§ 18B-903. Duration of permit; renewal and transfer.**

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

10 ...

11 (5) All other ABC permits shall be valid ~~for one year,~~ from May 1 to ~~April 30.~~ May
 12 31 of the following year, as provided in subsection (b3) of this section.

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

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

28 ...

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

40 "

41 **SECTION 25.(b)** G.S. 18B-900(a)(6) reads as rewritten:

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

45 **SECTION 25.(c)** This section is retroactively effective June 28, 2024.

47 **MODIFY THE PROHIBITIONS ON ABC PERMITTEES EMPLOYING CERTAIN** 48 **INDIVIDUALS**

49 **SECTION 26.(a)** G.S. 18B-1003(c) reads as rewritten:

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

- 1 (1) Convicted of a felony within three years;
- 2 (2) Convicted of a felony more than three years previously and has not had ~~his~~
3 the person's citizenship restored;
- 4 (3) Convicted of an alcoholic beverage offense within two years; or
- 5 ~~(4) Convicted of a misdemeanor controlled substances offense within two years;~~
- 6 (5) A past permit holder under Chapter 18B of the General Statutes whose permit
7 had been revoked within the last 18 months and who had been the permit
8 holder at the location where the person would be employed.

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

15 **SECTION 26.(b)** The ABC Commission shall adopt rules to amend its rules
16 consistent with this section.

17 **SECTION 26.(c)** This section is effective when it becomes law and applies to
18 individuals employed by ABC permittees and undue hardship proceedings initiated or pending
19 on or after that date.

20 **ALLOW IN-STAND SALES AT CONCERTS**

21 **SECTION 27.** G.S. 18B-1009 reads as rewritten:

22 **"§ 18B-1009. In-stand sales.**

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

- 27 (1) The seating areas are designated as part of the retail permittee's licensed
28 premises;
- 29 (2) The retail permittee has notified the Commission, in writing, of its intent to
30 sell malt beverages in the seating areas at concerts or sporting events;
- 31 (3) Service of food and nonalcoholic beverages is available in the seating areas;
- 32 (4) The retail permittee has certified to the Commission that it has trained its
33 employees:
34 a. To identify underage persons and intoxicated persons; and
35 b. To refuse to sell malt beverages to those persons as required by
36 G.S. 18B-305; and
37
- 38 (5) The employees do not verbally shout or hawk the sale of malt beverages.

39 (b) The North Carolina Alcoholic Beverage Control Commission shall adopt rules for the
40 suspension of alcohol sales in the latter portion of concerts or professional sporting events in
41 order to protect public safety at these events."
42

43 **AMEND DEFINITION OF TOURISM ABC ESTABLISHMENT**

44 **SECTION 28.** G.S. 18B-101(14a) reads as rewritten:

45 "(14a) "Tourism ABC establishment" means a restaurant or hotel that is in a county
46 in which the on-premises or off-premises sale of malt beverages or unfortified
47 wine is authorized in at least one city and that meets both either of the
48 following requirements:

- 49 a. Is located on property, a property line of which is located within ~~1-5~~
50 miles-2 miles of the end of an entrance or exit ramp of a junction on a
51 national scenic parkway designed to attract local, State, national, and

1 international tourists between the State line and Milepost 469,
 2 provided that the Eastern Band of Cherokee Indians tribal alcoholic
 3 beverage control commission established under G.S. 18B-112 shall
 4 have exclusive authority to issue permits pursuant to this subdivision
 5 between Milepost 460 and the southern terminus of the national scenic
 6 byway at Milepost 469 for any restaurant or hotel that is located
 7 wholly on Indian Country lands.

- 8 b. ~~Is located in a county in which the on-premises or off-premises sale of~~
 9 ~~malt beverages or unfortified wine is authorized in at least one city on~~
 10 property, a property line of which is located within 3 miles of the State
 11 line, that is adjacent to a North Carolina scenic byway."
 12

13 **PREVENT USAGE OF MARKUPS TO SET MINIMUM PRICING FOR SPECIFIC**
 14 **PRODUCTS**

15 **SECTION 29.** G.S. 18B-804, as amended by Section 22(cc) of this act, reads as
 16 rewritten:

17 **"§ 18B-804. Alcoholic beverage pricing.**

18 ...

19 (b) **Sale Price of Spirituous Liquor.** – The sale of spirituous liquor, including antique
 20 spirituous liquor, sold at the uniform State price shall consist of the following components:

- 21 (1) The distiller's or the antique spirituous liquor seller's price.
 22 (2) The freight and bailment charges of the State warehouse as determined by the
 23 Commission.
 24 (3) A markup for local boards as determined by the Commission.
 25 (4) The tax levied under G.S. 105-113.80(c), which shall be levied on the sum of
 26 subdivisions (1), (2), and (3).
 27 (5) An additional markup for local boards equal to three and one-half percent (3
 28 ½%) of the sum of subdivisions (1), (2), and (3).
 29 (6) A charge of one cent (1¢) on each bottle containing 50 milliliters or less and
 30 five cents (5¢) on each bottle containing more than 50 milliliters. For any
 31 nonbottled product, a charge of one cent (1¢) on each stock keeping unit
 32 containing not more than 50 milliliters and five cents (5¢) on each stock
 33 keeping unit containing more than 50 milliliters.
 34 (6a) The bailment surcharge.
 35 (6b) An additional charge for local boards of one cent (1¢) on each bottle
 36 containing 50 milliliters or less and five cents (5¢) on each bottle containing
 37 more than 50 milliliters. For any nonbottled product, a charge of one cent (1¢)
 38 on each stock keeping unit containing not more than 50 milliliters and five
 39 cents (5¢) on each stock keeping unit containing more than 50 milliliters.
 40 (7) A rounding adjustment, the formula of which may be determined by the
 41 Commission, so that the sale price will be divisible by five.
 42 (8) If the spirituous liquor is sold to a mixed beverage permittee or mobile bar
 43 services permittee for resale in mixed beverages, a charge of twenty dollars
 44 (\$20.00) on each four liters and a proportional sum on lesser quantities.
 45 (9) If the spirituous liquor is sold to a guest room cabinet permittee for resale, a
 46 charge of twenty dollars (\$20.00) on each four liters and a proportional sum
 47 on lesser quantities.
 48

48 ...

49 (b2) Uniform Markups, Charges, and Adjustments. – All charges, surcharges, markups,
 50 and adjustments determined by the Commission pursuant to subsection (b) of this section shall
 51 be uniform and applicable to all spirituous liquor approved for sale in the State. The Commission

1 shall not apply charges, surcharges, markups, or adjustments based on the type or amount of
2 spirituous liquor in order to establish a minimum price for a product or class of products.

3"

5 REVISE LAW GOVERNING GAME NIGHTS

6 SECTION 30.(a) G.S. 14-309.28 reads as rewritten:

7 "§ 14-309.28. Limits on game night events.

8 The following limitations apply to game night events:

9 (1) The number of game night events conducted or sponsored by an exempt
10 organization shall be limited to ~~four~~ 24 events per year.

11 ...

12 (5) A qualified facility authorized to host a game night under this Part shall not
13 host more than ~~two~~ 24 game nights in any calendar ~~month-year.~~ "

14 SECTION 30.(b) This section becomes effective October 1, 2026, and applies to
15 game nights conducted on or after that date.

17 REVISE LAW GOVERNING RAFFLES

18 SECTION 31.(a) G.S. 14-309.15 reads as rewritten:

19 "§ 14-309.15. Raffles.

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

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

36 (1) 50/50 raffle. – A raffle conducted by a nonprofit organization or any
37 government entity within the State whereby funds collected by sale of raffle
38 tickets are split evenly between the prize winner or winners and the nonprofit
39 organization or government entity after the raffle drawing.

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

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

45 (4) Political committee. – As defined in Article 22A of Chapter 163 of the General
46 Statutes. This term only includes political committees that have filed
47 organization reports under that Article and that are in good standing with the
48 appropriate board of elections.

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

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

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

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

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

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

21 (h) Notwithstanding any other subsection of this section, it is lawful for a federally
22 insured depository institution to conduct a savings promotion raffle under G.S. 53C-6-20,
23 54-109.64, 54B-140, or 54C-180.

24 (i) The restrictions set forth in subsections (c) through (g) of this section do not apply to
25 50/50 raffles conducted by nonprofit organizations or government entities within the State."

26 **SECTION 31.(b)** This section becomes effective August 1, 2026, and applies to
27 offenses committed on or after that date.

28 SEVERABILITY CLAUSE AND EFFECTIVE DATE

29 **SECTION 32.(a)** If any provision of this act or the application thereof to any person
30 or circumstances is held invalid, such invalidity shall not affect other provisions or applications
31 of this act that can be given effect without the invalid provision or application and, to this end,
32 the provisions of this act are declared to be severable.

33 **SECTION 32.(b)** Except as otherwise provided, this act is effective when it becomes
34 law.
35