

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 98*
Committee Substitute Favorable 4/20/11
PROPOSED SENATE COMMITTEE SUBSTITUTE H98-PCS80229-RN-16

Short Title: Breweries to Sell Malt Beverages on Premises.

(Public)

Sponsors:

Referred to:

February 16, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW ALCOHOLIC BEVERAGE PERMITTEES WHO HAVE BEEN
3 ISSUED BREWERY PERMITS TO SELL MALT BEVERAGES BREWED AT THE
4 BREWERY ON THE PREMISES OF THE BREWERY.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 18B-1001(1) reads as rewritten:

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

- 13 a. Restaurants;
14 b. Hotels;
15 c. Eating establishments;
16 d. Food businesses;
17 e. Retail businesses;
18 f. Private clubs;
19 g. Convention centers;
20 h. Community ~~theatres~~ theaters;
21 i. Breweries as authorized by G.S. 18B-1104(7).

22 ~~The permit may also be issued to certain breweries as authorized by~~
23 ~~G.S. 18B-1104(7)."~~

24 SECTION 2. G.S. 18B-1104(7) reads as rewritten:

25 "§ 18B-1104. Authorization of brewery permit.

26 The holder of a brewery permit may:

- 27 (1) Manufacture malt ~~beverages~~ beverages.
28 (2) Purchase malt, hops and other ingredients used in the manufacture of malt
29 ~~beverages~~ beverages.
30 (3) Sell, deliver and ship malt beverages in closed containers to wholesalers
31 licensed under this Chapter as authorized by the ABC laws, except that malt



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- 1 beverages may be sold to exporters and nonresident wholesalers only when
2 the purchase is not for resale in this ~~State;~~State.
- 3 (4) Receive malt beverages manufactured by the permittee in some other state
4 for transshipment to dealers in other ~~states;~~states.
- 5 (5) Furnish or sell marketable malt beverage products, or packages which do not
6 conform to the manufacturer's marketing standards, if State taxes have been
7 or will be paid, to its employees for the use of the employees or their
8 families and guests in this ~~State;~~State.
- 9 (6) Give its products to its employees and guests for consumption on its
10 ~~premises;~~premises.
- 11 (7) ~~In areas~~In an area where the sale is ~~legal,~~of any type of alcoholic beverage
12 is authorized by law, sell the brewery's malt beverages at the brewery upon
13 receiving a permit under G.S. 18B-1001(1). The brewery also may obtain a
14 malt beverage wholesaler permit to sell, deliver, and ship at wholesale only
15 malt beverages manufactured by the brewery. The authorization of this
16 subdivision applies to a brewery that sells, to consumers at the brewery, to
17 wholesalers, to retailers, and to exporters, fewer than 25,000 barrels, as
18 defined in G.S. 81A-9, of malt beverages produced by it per year. A brewery
19 not exceeding the sales quantity limitations in this subdivision may also sell
20 the malt beverages manufactured by the brewery at not more than three other
21 locations in the ~~State~~State, where the sale is legal, upon obtaining the
22 appropriate permits under G.S. 18B-1001. A brewery operating any
23 additional retail location pursuant to this subdivision shall also offer for sale
24 at that location a reasonable selection of competitive malt beverage products.

25 A sale or gift under subdivision (5) or (6) shall not be considered a retail or wholesale sale
26 under the ABC laws."

27 **SECTION 3.** This act is effective when it becomes law.