

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 532
PROPOSED COMMITTEE SUBSTITUTE H532-PCS20347-TG-20

Short Title: Malt Bvg Tech Changes/Sell Cider in Growlers.

(Public)

Sponsors:

Referred to:

April 6, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE TECHNICAL CHANGES TO THE SALE OF MALT BEVERAGES IN
3 GROWLERS AND ALLOW CERTAIN ABC PERMITTEES TO SELL CIDER IN
4 CERTAIN CONTAINERS FOR CONSUMPTION OFF THE PERMITTED PREMISES.

5 The General Assembly of North Carolina enacts:

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

7 "§ 18B-1001. Kinds of ABC permits; places eligible.

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

- 10 (1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
11 authorizes (i) the retail sale of malt beverages for consumption on the
12 premises, (ii) the retail sale of malt beverages in the manufacturer's original
13 container for consumption off the premises, and (iii) the retail sale of malt
14 beverages in a cleaned, sanitized, resealable container as defined in 4 NCAC
15 2T.0308(a) that is filled or refilled and sealed for consumption off the
16 premises, complies with 4 NCAC 2T.0303, 4 NCAC 2T.0305, and 4 NCAC
17 2T.0308(d) (e), premises and the container that identifies the permittee and
18 the date the container was filled or refilled. It also authorizes the holder of
19 the permit to ship malt beverages in closed containers to individual
20 purchasers inside and outside the State. The permit may be issued for any of
21 the following:
- 22 a. Restaurants;
 - 23 b. Hotels;
 - 24 c. Eating establishments;
 - 25 d. Food businesses;
 - 26 e. Retail businesses;
 - 27 f. Private clubs;
 - 28 g. Convention centers;
 - 29 h. Community theatres;
 - 30 i. Breweries as authorized by G.S. 18B-1104(7) and (8).

- 31 (2) Off-Premises Malt Beverage Permit. – An off-premises malt beverage
32 permit authorizes (i) the retail sale of malt beverages in the manufacturer's
33 original container for consumption off the premises, (ii) the retail sale of
34 malt beverages in a cleaned, sanitized, resealable container as defined in 4
35 NCAC 2T.0308(a) that is filled or refilled and sealed for consumption off
36 the premises, complies with 4 NCAC 2T.0303, 4 NCAC 2T.0305, and 4



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1 NCAC ~~2T.0308(d)~~ ~~(e)~~, premises and ~~the container~~ that identifies the
2 permittee and the date the container was filled or refilled, and (iii) the holder
3 of the permit to ship malt beverages in closed containers to individual
4 purchasers inside and outside the State. The permit may be issued for any of
5 the following:

- 6 a. Restaurants.
- 7 b. Hotels.
- 8 c. Eating establishments.
- 9 d. Food businesses.
- 10 e. Retail businesses.
- 11 f. The holder of a brewing, distillation, and fermentation course
12 authorization under G.S. 18B-1114.6. A school obtaining a permit
13 under this subdivision is authorized to sell malt beverages
14 manufactured during its brewing, distillation, and fermentation
15 program at one noncampus location in a county where the permittee
16 holds and offers classes on a regular full-time basis in a facility
17 owned by the permittee.

18 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
19 permit authorizes (i) the retail sale of unfortified wine for consumption on
20 the premises, either alone or mixed with other beverages, and (ii) the retail
21 sale of unfortified wine in the manufacturer's original container for
22 consumption off the premises, premises, and (iii) the retail sale of unfortified
23 wine dispensed from a tap connected to a pressurized container utilizing
24 carbon dioxide or similar gas into a cleaned, sanitized, resealable container
25 that is filled or refilled and sealed for consumption off the premises and that
26 identifies the permittee and the date the container was filled or refilled. The
27 permit also authorizes the permittee to transfer unfortified wine, not more
28 than four times per calendar year, to another on-premises unfortified wine
29 permittee that is under common ownership or control as the transferor.
30 Except as authorized by this subdivision, transfers of wine by on-premises
31 unfortified wine permittees, purchases of wine by a retail permittee from
32 another retail permittee for the purpose of resale, and sale of wine by a retail
33 permittee to another retail permittee for the purpose of resale are unlawful.
34 In addition, a particular brand of wine may be transferred only if both the
35 transferor and transferee are located within the territory designated between
36 the winery 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 holder of the permit is authorized to ship unfortified wine in
42 closed containers to individual purchasers inside and outside the State.
43 Orders received by a winery by telephone, Internet, mail, facsimile, or other
44 off-premises means of communication shall be shipped pursuant to a wine
45 shipper permit and not pursuant to this subdivision. The permit may be
46 issued for any of the following:

- 47 a. Restaurants;
- 48 b. Hotels;
- 49 c. Eating establishments;
- 50 d. Private clubs;
- 51 e. Convention centers;

- f. Cooking schools;
- g. Community theatres;
- h. Wineries;
- i. Wine producers.

(4) Off-Premises Unfortified Wine Permit. – An off-premises unfortified wine permit authorizes (i) the retail sale of unfortified wine in the manufacturer's original container for consumption off the ~~premises and~~ premises, (ii) the retail sale of unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas into a cleaned, sanitized, resealable container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled, and (iii) it authorizes the holder of the permit to ship unfortified wine in closed containers to individual purchasers inside and outside the State. The permit may be issued for retail businesses. The permit also authorizes the permittee to transfer unfortified wine, not more than four times per calendar year, to another off-premises unfortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by off-premises unfortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The permit may also be issued to the holder of a viticulture/enology course authorization under G.S. 18B-1114.4. A school obtaining a permit under this subdivision is authorized to sell wines manufactured during its viticulture/enology program at one non-campus location in a county where the permittee holds and offers classes on a regular full-time basis in a facility owned by the permittee. The permit may also be issued for a winery or a wine producer for sale of its own unfortified wine during hours when the winery or wine producer's premises is open to the public, subject to any local ordinance adopted pursuant to G.S. 18B-1004(d) concerning hours for the retail sale of unfortified wine. A winery obtaining a permit under this subdivision is authorized to sell wine manufactured by the winery at one additional location in the county under the same conditions specified in G.S. 18B-1101(5) for the sale of wine at the winery; provided, however, that no other alcohol sales shall be authorized at the additional location. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision.

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(16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt beverages, unfortified wine, and fortified wine in the manufacturer's original container for consumption off the premises, (ii) the retail sale of malt beverages or unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas in a cleaned,

1 sanitized, resealable container as ~~defined in 4 NCAC 2T.0308(a)~~ that is
2 filled or refilled and sealed for consumption off the ~~premises, complies with~~
3 ~~4 NCAC 2T.0303, 4 NCAC 2T.0305, and 4 NCAC 2T.0308(d) - (e), premises~~
4 and ~~the container that~~ identifies the permittee and the date the container was
5 filled or refilled, and (iii) wine tastings on the premises conducted and
6 supervised by the permittee in accordance with subdivision (15) of this
7 section. It also authorizes the holder of the permit to ship malt beverages,
8 unfortified wine, and fortified wine in closed containers to individual
9 purchasers inside and outside the State. The permit may be issued for retail
10 businesses whose primary purpose is selling malt beverages and wine for
11 consumption off the premises and regularly and customarily educating
12 consumers through tastings, classes, and seminars about the selection,
13 serving, and storing of wine. The holder of the permit is authorized to sell
14 unfortified wine for consumption on the premises, provided that the sale of
15 wine for consumption on the premises does not exceed forty percent (40%)
16 of the establishment's total sales for any 30-day period. The holder of a
17 wine-tasting permit not engaged in the preparation or sale of food on the
18 premises is not subject to Part 6 of Article 8 of Chapter 130A of the General
19 Statutes.

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21 **SECTION 2.** The North Carolina Alcoholic Beverage Control Commission rules
22 regulating the retail sale of malt beverages in growlers shall apply to the retail sale of
23 unfortified wine in growlers until such time as the Commission shall adopt administrative rules
24 implementing this act.

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