

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 1108
May 26, 2022
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30563-MLf-134

Short Title: Allow ABC Permits for Bars. (Public)

Sponsors: Representative Moffitt.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW BARS TO OBTAIN ON-PREMISES ABC PERMITS.
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 18B-1000 reads as rewritten:
5 "§ 18B-1000. Definitions concerning establishments.

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

7 (1) Bar. – An establishment substantially engaged in the business of serving
8 alcoholic beverages for consumption on the premises. To qualify as a bar, an
9 establishment's gross receipts from alcoholic beverages for consumption on
10 the premises shall be not less than seventy-five percent (75%) of the
11 establishment's total gross receipts.

12 (1a) Community theatre. – An establishment owned and operated by a bona fide
13 nonprofit organization that is engaged solely in the business of sponsoring or
14 presenting amateur or professional theatrical events to the public. A permit
15 issued for a community theatre is valid only during regularly scheduled
16 theatrical events sponsored by such nonprofit organization.

17 ~~(1a)~~(1b) Congressionally chartered veterans organizations. – An establishment that
18 is organized as a federally chartered, nonprofit veterans organization, and is
19 operated solely for patriotic or fraternal purposes.

20 ~~(1b)~~(1c) Convention center. – An establishment that meets either of the following
21 requirements:

22 a. A publicly owned or operated establishment that is engaged in the
23 business of sponsoring or hosting conventions and similar large
24 gatherings, including auditoriums, armories, civic centers, convention
25 centers, and coliseums.

26 b. A privately owned facility located in a city that has a population of at
27 least 200,000 but not more than 250,000 by the 2000 federal census
28 and is located in a county that has previously authorized the issuance
29 of mixed beverage permits by referendum. To qualify as a convention
30 center under this subdivision, the facility shall meet each of the
31 following requirements:

- 32 1. The facility shall be certified by the appropriate local official
33 as being consistent with the city's redevelopment plan for the
34 area in which the facility is located.
- 35 2. The facility shall contain at least 7,500 square feet of floor
36 space that is available for public use and shall be used



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exclusively for banquets, receptions, meetings, and similar gatherings.
3. The facility's annual gross receipts from the sale of alcoholic beverages shall be less than fifty percent (50%) of the gross receipts paid to all providers at permitted functions for food, nonalcoholic beverages, alcoholic beverages, service, and facility usage fees (excluding receipts or charges for entertainment and ancillary services not directly related to providing food and beverage service). The person to whom a permit has been issued for a privately owned facility shall be required to maintain copies of all contracts and invoices for items supplied by providers for a period of three years from the date of the event.

A permit issued for a convention center shall be valid only for those parts of the building used for conventions, banquets, receptions, and other events, and only during scheduled activities.

(1e)(1d) Cooking school. – An establishment substantially engaged in the business of operating a school in which cooking techniques are taught for a fee.

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SECTION 2. G.S. 18B-1001 reads as rewritten:

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

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

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

- a. Restaurants.
- b. Hotels.
- c. Eating establishments.
- d. Food businesses.

- 1 e. Retail businesses.
- 2 f. Private clubs.
- 3 g. Convention centers.
- 4 h. Community theatres.
- 5 i. Breweries as authorized by subdivisions (7) and (8) of
- 6 G.S. 18B-1104(a).
- 7 j. Sports and entertainment venues.
- 8 k. Private bars.
- 9 l. The holder of a distillery permit authorized under G.S. 18B-1105.
- 10 m. Bars.

11 ...

12 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
 13 permit authorizes (i) the retail sale of unfortified wine for consumption on the
 14 premises, either alone or mixed with other beverages, (ii) the retail sale of
 15 unfortified wine in the manufacturer's original container for consumption off
 16 the premises, and (iii) the retail sale of unfortified wine dispensed from a tap
 17 connected to a pressurized container utilizing carbon dioxide or similar gas
 18 into a cleaned and sanitized container that is filled or refilled and sealed for
 19 consumption off the premises and that identifies the permittee and the date the
 20 container was filled or refilled. The permit also authorizes the permittee to
 21 transfer unfortified wine, not more than four times per calendar year, to
 22 another on-premises unfortified wine permittee that is under common
 23 ownership or control as the transferor. Except as authorized by this
 24 subdivision, transfers of wine by on-premises unfortified wine permittees,
 25 purchases of wine by a retail permittee from another retail permittee for the
 26 purpose of resale, and sale of wine by a retail permittee to another retail
 27 permittee for the purpose of resale are unlawful. In addition, a particular brand
 28 of wine may be transferred only if both the transferor and transferee are
 29 located within the territory designated between the winery and the wholesaler
 30 on file with the Commission. Prior to or contemporaneous with any such
 31 transfer, the transferor shall notify each wholesaler who distributes the
 32 transferred product of the transfer. The notice shall be in writing or verifiable
 33 electronic format and shall identify the transferor and transferee, the date of
 34 the transfer, quantity, and items transferred. The holder of the permit is
 35 authorized to ship unfortified wine in closed containers to individual
 36 purchasers inside and outside the State. 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 may be issued for any of the
 40 following:

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

- 1 l. Private bars.
- 2 m. The holder of a distillery permit authorized under G.S. 18B-1105.
- 3 n. Bars.
- 4 ...
- 5 (5) On-Premises Fortified Wine Permit. – An on-premises fortified wine permit
6 authorizes the retail sale of fortified wine for consumption on the premises,
7 either alone or mixed with other beverages, and the retail sale of fortified wine
8 in the manufacturer's original container for consumption off the premises. The
9 permit also authorizes the permittee to transfer fortified wine, not more than
10 four times per calendar year, to another on-premises fortified wine permittee
11 that is under common ownership or control as the transferor. Except as
12 authorized by this subdivision, transfers of wine by on-premises fortified wine
13 permittees, purchases of wine by a retail permittee from another retail
14 permittee for the purpose of resale, and sale of wine by a retail permittee to
15 another retail permittee for the purpose of resale are unlawful. In addition, a
16 particular brand of wine may be transferred only if both the transferor and
17 transferee are located within the territory designated between the winery and
18 the wholesaler on file with the Commission. Prior to or contemporaneous with
19 any such transfer, the transferor shall notify each wholesaler who distributes
20 the transferred product of the transfer. The notice shall be in writing or
21 verifiable electronic format and shall identify the transferor and transferee, the
22 date of the transfer, quantity, and items transferred. The holder of the permit
23 is authorized to ship fortified wine in closed containers to individual
24 purchasers inside and outside the State. Orders received by a winery by
25 telephone, Internet, mail, facsimile, or other off-premises means of
26 communication shall be shipped pursuant to a wine shipper permit and not
27 pursuant to this subdivision. The permit may be issued for any of the
28 following:
- 29 a. Restaurants.
- 30 b. Hotels.
- 31 c. Private clubs.
- 32 d. Community theatres.
- 33 e. Wineries.
- 34 f. Convention centers.
- 35 g. Private bars.
- 36 h. The holder of a distillery permit authorized under G.S. 18B-1105.
- 37 i. Sports and entertainment venues.
- 38 j. Bars.
- 39 ...
- 40 (7) Brown-Bagging Permit. – A brown-bagging permit authorizes each individual
41 patron of an establishment, with the permission of the permittee, to bring up
42 to eight liters of fortified wine or spirituous liquor, or eight liters of the two
43 combined, onto the premises and to consume those alcoholic beverages on the
44 premises. The permit may be issued for any of the following:
- 45 a. Restaurants.
- 46 b. Hotels.
- 47 c. Private clubs.
- 48 d. Community theatres.
- 49 e. Congressionally chartered veterans organizations.
- 50 f. Private bars.
- 51 g. Bars.

- 1 (8) Special Occasion Permit. – A special occasion permit authorizes the host of a
- 2 reception, party or other special occasion, with the permission of the
- 3 permittee, to bring fortified wine and spirituous liquor onto the premises of
- 4 the business and to serve the same to his guests. The permit may be issued for
- 5 any of the following:
- 6 a. Restaurants.
- 7 b. Hotels.
- 8 c. Eating establishments.
- 9 d. Private clubs.
- 10 e. Convention centers.
- 11 f. Private bars.
- 12 g. Sports and entertainment venues.
- 13 h. Bars.

- 14 ...
- 15 (10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail
- 16 sale of mixed beverages for consumption on the premises. The permit also
- 17 authorizes a mixed beverages permittee (i) to obtain a purchase-transportation
- 18 permit under G.S. 18B-403 and 18B-404, (ii) to obtain an antique spirituous
- 19 liquor permit under subdivision (20) of this section, and (iii) to use for culinary
- 20 purposes spirituous liquor lawfully purchased for use in mixed beverages. The
- 21 permit may be issued for any of the following:
- 22 a. Restaurants.
- 23 b. Hotels.
- 24 c. Private clubs.
- 25 d. Convention centers.
- 26 e. Community theatres.
- 27 f. Nonprofit organizations.
- 28 g. Political organizations.
- 29 h. Sports and entertainment venues.
- 30 i. Private bars.
- 31 j. The holder of a distillery permit authorized under G.S. 18B-1105.
- 32 k. Bars.

- 33 (11) Culinary Permit. – A culinary permit authorizes a permittee to possess up to
- 34 12 liters of either fortified wine or spirituous liquor, or 12 liters of the two
- 35 combined, in the kitchen of a business and to use those alcoholic beverages
- 36 for culinary purposes. The permit may be issued for ~~either~~ any of the
- 37 following:
- 38 a. ~~Restaurants;~~ Restaurants.
- 39 b. ~~Hotels;~~ Hotels.
- 40 c. Cooking schools.
- 41 A culinary permit may also be issued to a catering service to allow the
- 42 possession of the amount of fortified wine and spirituous liquor stated above
- 43 at the business location of that service and at the cooking site. The permit shall
- 44 also authorize the caterer to transport those alcoholic beverages to and from
- 45 the business location and the cooking site, and use them in cooking.

46"

47 **SECTION 3.** The Alcoholic Beverage Control Commission may adopt temporary

48 rules to implement the provisions of this act. Temporary rules adopted in accordance with this

49 section shall remain in effect until permanent rules that replace the temporary rules become

50 effective.

51 **SECTION 4.** This act becomes effective July 1, 2022.