

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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HOUSE BILL 921  
PROPOSED COMMITTEE SUBSTITUTE H921-PCS10654-TQxf-52

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



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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:

1 "(c) Designated Store. – ~~A~~Except as provided in G.S. 18B-800(c2)(2), a mixed beverage  
 2 permittee may purchase spirituous liquor from an ABC store that is designated as a mixed  
 3 beverage ABC store operated by any local board operating in the same county as the permittee."

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

6  
 7 **ALLOW CONSUMER TASTINGS OF MIXED BEVERAGES AT ABC STORES**  
 8 **UNDER A SPIRITUOUS LIQUOR SPECIAL EVENT PERMIT**

9 **SECTION 5.** G.S. 18B-1114.7(c) reads as rewritten:

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

12 ...  
 13 (4) Notwithstanding subdivision (3) of subsection (b) of this section, the total  
 14 amount of the tasting samples offered to and consumed by each consumer at  
 15 a consumer tasting event shall not exceed one-half ounce of spirituous liquor  
 16 in any calendar ~~day-day~~, including any spirituous liquor in mixed beverages  
 17 offered for consumer tasting pursuant to subdivision (4a) of this subsection.

18 (4a) The permit holder conducting the event may prepare and offer for tasting  
 19 mixed beverages containing the spirituous liquor offered for tasting at the  
 20 ABC store. A mixed beverage offered for tasting pursuant to this subdivision  
 21 shall contain no more than 0.25 ounces of spirituous liquor.

22 ...."

23  
 24 **INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE**

25 **SECTION 6.(a)** G.S. 18B-101(4a) reads as rewritten:

26 "(4a) "Alcohol consumable" means any manufactured and packaged ice cream,  
 27 whipped cream, ice pop, gum-based, or gelatin-based food product containing  
 28 at least one-half of one percent (0.5%) alcohol by volume."

29 **SECTION 6.(b)** This section becomes effective December 1, 2026, and applies to  
 30 offenses committed on or after that date.

31  
 32 **PROVIDE MIXED BEVERAGES PERMITTEES WITH PRIOR NOTICE OF**  
 33 **APPORTIONED PRODUCT LOTTERY**

34 **SECTION 7.(a)** G.S. 18B-800 is amended by adding a new subsection to read:

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

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

44  
 45 **AUTHORIZE TEMPORARY AND VARIABLE PRICING PROMOTIONS**

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

48 **"§ 18B-1004.1. Variable pricing.**

49 Notwithstanding any provision of this Chapter to the contrary, an establishment holding an  
 50 on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified  
 51 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  
 8 **REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT**

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

10 **"§ 18B-905. Temporary permits.**

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

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

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 **ADD TWO MEMBERS TO THE ABC COMMISSION**

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

#### 32 **"§ 18B-200. North Carolina Alcoholic Beverage Control Commission.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

...

(f) Statute of Limitations. – The Commission shall not seek any administrative penalties under this section unless the Commission, within three years of the Commission receiving from 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~~ 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) Spirituos 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,~~ including the bailment  
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 of  
24 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~~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.

(26) Service Business Permit. – A service business permit authorizes the permittee to furnish complimentary ~~malt beverages and unfortified wine~~ malt beverages, unfortified wine, and premixed cocktails 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 or premixed cocktail 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~~ malt beverages, unfortified wine, and premixed cocktails only from a retailer. The permit may be issued to service businesses."

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

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

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

...

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

...."

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

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

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

...

(2) A permit may be issued to a nonprofit organization to allow the retail sale of malt beverages, unfortified wine, premixed cocktails, fortified wine, or mixed beverages, or to allow brown-bagging, at a single fund-raising event of that

organization. A permit for this purpose shall not be issued for the sale of any kind of alcoholic beverage in a jurisdiction where the sale of that alcoholic beverage is not lawful. A permit is not required under this subdivision for an event conducted by a nonprofit organization that meets any of the following:

- a. The event is held on premises permitted under G.S. 18B-1001(1), 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6), or 18B-1001(10) and the wine, malt beverages, 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~~, 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 (c) ~~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%)  
38 of 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 ...

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 ...."  
4

## 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