

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 198
Committee Substitute Favorable 3/5/25
Senate Commerce and Insurance Committee Substitute Adopted 5/22/26
PROPOSED SENATE COMMITTEE SUBSTITUTE H198-PCS30627-CNF-19

Short Title: ABC Omnibus of 2026.

(Public)

Sponsors:

Referred to:

February 26, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE LAWS OF THIS STATE RELATED TO ALCOHOLIC
3 BEVERAGES AND RAFFLES.

4 The General Assembly of North Carolina enacts:

5
6 **PART I. ABC WAREHOUSE LOAN**

7
8 **ALLOW ABC COMMISSION TO OBTAIN A LOAN FOR A NEW STATE**
9 **WAREHOUSE**

10 **SECTION 1.(a)** Notwithstanding G.S. 18B-208, the Alcoholic Beverage Control
11 Commission may, with the approval of the Governor, obtain a one-time loan of up to three
12 hundred ten million dollars (\$310,000,000) from a financial institution to be used for planning,
13 design, construction, and equipping of a new automated warehouse and associated offices for the
14 Commission, as well as purchasing any real property for the new automated warehouse and
15 associated offices for the Commission, provided that the Commission may not pledge real
16 property owned by the State of North Carolina as collateral. The Commission's obtaining of a
17 loan shall not directly or indirectly or contingently obligate the State to levy or to pledge any
18 form of taxation or to make any appropriation for repayment of the loan. Notwithstanding
19 G.S. 18B-902(g), the Commission shall repay the loan, including interest, from the proceeds of
20 permit fees collected by the Commission. The Commission may prepay any obligation under this
21 section, in whole or in part, without penalty unless the loan agreement expressly provides
22 otherwise. To the extent the proceeds from the fees referenced in this subsection are deemed
23 unappropriated, they are hereby appropriated for the purpose of repaying the loan described in
24 this subsection. For purposes of this section, the term "financial institution" means any banking
25 corporation or trust company, savings and loan association, credit union, insurance company, or
26 related corporation, partnership, foundation, or other institution engaged primarily in lending or
27 investing funds.

28 **SECTION 1.(b)** This section becomes effective July 1, 2026.

29
30 **PART II. ABC TECHNICAL AND CLARIFYING CHANGES**

31
32 **BROWN-BAGGING TECHNICAL CORRECTION**

33 **SECTION 2.** G.S. 18B-603(d) reads as rewritten:



* H 1 9 8 - P C S 3 0 6 2 7 - C N F - 1 9 *

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

4 ...

5 (4) The Commission may issue brown-bagging permits for bars, private clubs
6 clubs, and congressionally chartered veterans organizations but may no longer
7 issue and may not renew brown-bagging permits for restaurants, hotels, and
8 community theatres. A restaurant, hotel, or community theatre may not be
9 issued a mixed beverage permit under subdivision (1) until it surrenders its
10 brown-bagging permit.

11 "

12 **AIRPORT TECHNICAL CORRECTION**

13 **SECTION 3.** G.S. 18B-300.3 reads as rewritten:

14 "**§ 18B-300.3. Possession and consumption of alcoholic beverages in the security-screened**
15 **area of airports.**

16 (a) During the hours of airport operation, any establishment permitted under subdivision
17 (1), (3), (5), or (10) of ~~G.S. 18B-1000~~ G.S. 18B-1001 and operating in the Transportation
18 Security Administration-screened portion of an airport may, with the written approval of the
19 airport authority, sell the alcoholic beverages it is permitted to sell for consumption throughout
20 the Transportation Security Administration-screened portion of the establishment's respective
21 airport terminal.

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

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

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

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

28 (c) A customer may purchase and consume alcoholic beverages throughout the interior
29 of the Transportation Security Administration-screened portion of the respective airport terminal,
30 provided that the purchase is from an approved establishment permitted under subdivision (1),
31 (3), (5), or (10) of ~~G.S. 18B-1000~~ G.S. 18B-1001.

32 (d) This section applies only to airports that service airplanes boarding at least 150,000
33 passengers annually."
34

35 **CLARIFY PERMISSION TO TAKE MIXED BEVERAGES ONTO PERMITTED** 36 **PREMISES IN A SOCIAL DISTRICT**

37 **SECTION 4.** G.S. 18B-300.1(f) reads as rewritten:

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

41 ...

42 (6) Notwithstanding G.S. 18B-300 and G.S. 18B-301, a permittee or
43 non-permittee business may allow a customer to possess and consume on the
44 business's premises alcoholic beverages purchased from a permittee in the
45 social district. A permittee business that is not permitted to sell mixed
46 beverages may allow a customer to possess and consume on the business's
47 premises mixed beverages purchased from a mixed beverages permittee in the
48 social district."
49

50 **DELIVERY SERVICES PERMIT TECHNICAL CORRECTIONS**

1 **SECTION 5.** G.S. 18B-1001.4 reads as rewritten:

2 "**§ 18B-1001.4. Authorization of delivery service permit.**

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

12 ...

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

26 "

27
28 **CLARIFY SAFE HARBOR FOR LATE ABC PERMIT RENEWALS**

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

30 "**§ 18B-903. Duration of permit; renewal and transfer.**

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

33 ...

34 (5) All other ABC permits shall be valid ~~for one year,~~ from May 1 to ~~April 30.~~May
35 31 of the following year, as provided in subsection (b3) of this section.

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

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

51 ...

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

12"

13 **SECTION 6.(b)** G.S. 18B-900, as amended by Section 17(e) of this act, reads as
 14 rewritten:

15 "**§ 18B-900. Qualifications for permit.**

16 (a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must
 17 satisfy all of the following requirements:

18 ...

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

22 ...

- 23 (8) Be current in filing all applicable tax returns to the State and in payment of all
 24 taxes, interest, and penalties that are collectible under G.S. 105-241.22. This
 25 subdivision does not apply to the following ABC permits:
 26 a. Special occasion permit under G.S. 18B-1001(8).
 27 b. Limited special occasion permit under G.S. 18B-1001(9).
 28 c. Special one-time permit under G.S. 18B-1002.
 29 d. Salesman permit under G.S. 18B-1111.
 30 e. Special multiple event permit under G.S. 18B-1002.2.

31 To avoid undue hardship, however, the Commission may decline to take action under
 32 G.S. 18B-104 against a permittee who is in violation of subdivisions (3), (4), or (5) of this
 33 subsection. Additionally, to avoid undue hardship, the Commission may, in its discretion, allow
 34 the renewal of a permit for a permittee who is in violation of subdivision (8) of this subsection.

35 ...

36 (f) Procedure to Confirm State Tax Compliance. – Upon request of the Commission, the
 37 Department of Revenue must provide information to the Commission to confirm a person's
 38 compliance with subdivision (a)(8) of this section. If the Department of Revenue notifies the
 39 Commission that a person is not in compliance, then the Commission shall not issue ~~or renew~~ the
 40 person's permit until the Commission receives notice from the Department of Revenue that the
 41 person is in ~~compliance.~~ compliance; however, the Commission may, in its discretion, allow the
 42 renewal of a permit notwithstanding a person's lack of compliance with subdivision (a)(8) of this
 43 section. The requirement to pay all taxes, interest, and penalties may be satisfied by an operative
 44 agreement under G.S. 105-237 covering any amounts that are collectible under G.S. 105-241.22.
 45 Chapter 150B of the General Statutes does not apply to a Commission action on issuance,
 46 suspension, or revocation of an ABC permit under subdivision (a)(8) of this section."

47 **SECTION 6.(c)** G.S. 105-113.83A(d) reads as rewritten:

48 "(d) Penalty. – The Secretary must notify the ABC Commission when a permittee required
 49 to register is ~~not eligible to hold an ABC permit for failure to satisfy in violation of~~
 50 G.S. 18B-900(a)(8). Upon notification, the ABC Commission ~~must~~ may impose any penalty
 51 permitted under G.S. 18B-104."

1 **SECTION 6.(d)** Notwithstanding any other provision of law, if (i) a permit holder
2 was charged a late fee by the Alcoholic Beverage Control Commission pursuant to
3 G.S. 18B-903(b3) as a result of a notification from the Department of Revenue to the
4 Commission pursuant to G.S. 18B-900(f) and (ii) the permit holder complied with
5 G.S. 18B-900(a)(8) before June 1 of the year in which the permit was renewed, in accordance
6 with the safe harbor provision in G.S. 18B-903(b3), then the permit holder may request a refund
7 of the late fee from the Commission. A permit holder must submit to the Commission evidence
8 of compliance with G.S. 18B-900(a)(8) before June 1 of the year in which the permit was
9 renewed to receive a refund pursuant to this subsection. The Commission shall refund late fees
10 to any permit holder who meets the requirements of this subsection and requests a refund. All
11 refund requests pursuant to this subsection must be submitted to the Commission by May 31,
12 2027.

13 **SECTION 6.(e)** Subsection (a) of this section is retroactively effective June 28,
14 2024. The remainder of this section is effective when it becomes law.

15 16 **CLARIFY MOBILE BAR SERVICE PERMIT AND INTERACTION WITH CERTAIN** 17 **ON-PREMISES PERMITS**

18 **SECTION 7.** G.S. 18B-1001(12a) reads as rewritten:

19 "(12a) Mobile Bar Services Permit. –

20 a. A mobile bar services permit may be issued to a business that provides
21 bartending services for events. The permit authorizes the permittee to
22 bring malt beverages, unfortified wine, fortified wine, and spirituous
23 liquor onto the premises of a business that is not an ABC permittee
24 and to serve the alcoholic beverages to guests at the event. ~~The~~ Except
25 as provided in sub-subdivision b. of this subdivision, the permittee
26 may purchase malt beverages and unfortified wine from either a
27 retailer or a wholesaler. only from a retailer. The permittee may
28 purchase fortified wine ~~from either an ABC store or a wholesaler.~~ The
29 permittee shall purchase and spirituous liquor only from an ABC store
30 that is designated as a mixed beverage ABC store operated by any
31 local board operating in the same county where the permittee's
32 principal office is located. If the permittee's premises for storage of
33 inventory is a residential address, the permittee may designate an area
34 of the premises to be used for storage of inventory pursuant to the
35 permit. An inspection of the premises pursuant to G.S. 18B-502 shall
36 extend only to the area that the permittee has designated for storage of
37 inventory unless the law enforcement officer conducting the
38 inspection has (i) a warrant to search the residence or (ii) probable
39 cause to search the residence and exigent circumstances exist.

40 b. The holder of a permit issued pursuant to G.S. 18B-1001(1), (3), (5),
41 (16), or (16a) may also hold a mobile bar services permit at the same
42 permitted premises. Notwithstanding sub-subdivision a. of this
43 subdivision, a permittee who holds both a mobile bar services permit
44 and a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or
45 (16a) may not obtain or serve alcoholic beverages that the permittee is
46 not allowed to sell under the permit or permits that the permittee holds
47 that are issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a).
48 The permittee shall only use as inventory for the mobile bar services
49 permit the permittee's inventory of alcoholic beverages lawfully
50 purchased from a wholesaler pursuant to the permit or permits that the
51 permittee holds under G.S. 18B-1001(1), (3), (5), (16), or (16a). The

1 mobile bar services permit shall authorize such a permittee to bring
 2 those alcoholic beverages onto the premises of a business that is not
 3 an ABC permittee and serve the alcoholic beverages to guests at the
 4 event. Alcoholic beverages that are taken from the permittee's
 5 inventory to an event at another premises under a mobile bar services
 6 permit may be restored to inventory after the event if the alcoholic
 7 beverages are still in the manufacturer's original unopened container.

8 c. ~~The~~ A mobile bar services permittee may not serve alcoholic
 9 beverages pursuant to a mobile bar services permit on the premises of
 10 any location owned or possessed by the permittee. The permittee shall
 11 notify the Commission, in writing, of the location of any event where
 12 the permittee will serve alcoholic beverages not less than one week
 13 before the event and shall have the permission of the owner or
 14 possessor of the property on which the event is to be held. Any person
 15 selling alcoholic beverages at the event shall be at least 21 years of
 16 age. Alcoholic beverages may be transported by the mobile bar
 17 services permit holder to the premises of the event no earlier than 8:00
 18 A.M. on the day of the event. At the conclusion of the event, all
 19 alcoholic beverages must be removed from the premises no later than
 20 12:00 noon of the following day. A limited special occasion permit
 21 shall not be required for an event at which alcoholic beverages are
 22 exclusively provided by the holder of a mobile bar services permit.
 23 The holder of a mobile bar services permit may bring alcoholic
 24 beverages onto the premises and serve the alcoholic beverages at an
 25 event regardless of whether there is a charge or fee for guests to attend
 26 the event. This permit does not allow the retail sale of individual
 27 alcoholic beverages to guests at an event."

28
 29 **CLARIFY THAT THE ABC COMMISSION MAY ORDER CERTAIN DISPOSITIONS**
 30 **OF SEIZED ALCOHOLIC BEVERAGES AFTER AN OFFER IN COMPROMISE TO**
 31 **RESOLVE AN ABC LAW VIOLATION HAS BEEN ACCEPTED BY THE**
 32 **COMMISSION**

33 **SECTION 8.(a)** G.S. 18B-503 reads as rewritten:

34 **"§ 18B-503. Disposition of seized alcoholic beverages.**

35 (a) Storage. – A ~~law enforcement~~ law enforcement officer who seizes alcoholic
 36 beverages as evidence of an ABC law violation shall provide for the storage of those alcoholic
 37 beverages until the commencement of the trial or administrative hearing relating to the violation,
 38 unless some other disposition is authorized under this section.

39 (b) Disposition Before Trial. – After giving notice to each defendant, to any other known
 40 owner, and to the Commission, a judge may order any of the following dispositions of alcoholic
 41 beverages seized as evidence of an ABC law violation:

- 42 (1) The destruction of any malt beverages except that amount needed for evidence
- 43 at trial.
- 44 (2) The sale of any alcoholic beverages other than malt beverages or nontaxpaid
- 45 alcoholic beverages, and other than any alcoholic beverages needed for
- 46 evidence at trial, if the trial is likely to be delayed for more than 90 days, or if
- 47 the quantity or nature of the alcoholic beverages is such that storage is
- 48 impractical or unduly expensive.
- 49 (3) The destruction of the alcoholic beverages if storage or sale is not practical.
- 50 (4) Continued storage of the alcoholic beverages.

1 (c) Disposition After Trial. – After the criminal charge is resolved, a judge may order the
 2 following dispositions of seized alcoholic beverages:

- 3 (1) If the owner or possessor of the alcoholic beverages is found guilty of a
 4 criminal charge relating to those alcoholic beverages, the judge may order the
 5 sale or destruction of any alcoholic beverages that were held until trial.
- 6 (2) If the owner or possessor of the alcoholic beverages is found not guilty, or if
 7 charges are dismissed or otherwise resolved in favor of the owner or
 8 possessor, the judge shall order the alcoholic beverages returned to that owner
 9 or possessor, except as provided in subdivision (3).
- 10 (3) If the owner or possessor of the alcoholic beverages is found not guilty, or if
 11 charges are otherwise resolved in favor of the owner or possessor, but
 12 possession of the alcoholic beverages by that owner or possessor would be
 13 unlawful, the judge shall order the alcoholic beverages either sold or
 14 destroyed.
- 15 (4) If ownership of the alcoholic beverages remains uncertain after trial or after
 16 the charges have been dismissed, the judge may order the alcoholic beverages
 17 held, or the alcoholic beverages sold and the proceeds held, for a specified
 18 time, until ownership of the alcoholic beverages can be determined.

19 (d) Holding for Administrative Hearings. – If alcoholic beverages used as evidence in a
 20 criminal proceeding are also needed as evidence at an administrative hearing, a judge shall not
 21 order any of the dispositions set out in subsection (c), but shall order the alcoholic beverages held
 22 for the administrative hearing and for a determination of final disposition by the Commission.
 23 The Commission may, before or after an administrative hearing, order any of the dispositions
 24 authorized under subsections (b) and (c). Subject to the restriction set forth in this subsection
 25 prohibiting sale or destruction without notice to the district attorney, if the Commission accepts
 26 an offer in compromise to resolve an ABC law violation, the Commission may order the
 27 applicable disposition set out in subdivision (2) or (3) of subsection (c) of this section. If no
 28 related criminal proceeding has commenced, the Commission shall not order sale or destruction
 29 of alcoholic beverages until notice has been given to the district attorney for the district where
 30 the alcoholic beverages were seized or any violation of ABC laws related to the seizure of the
 31 alcoholic beverages is likely to be prosecuted.

32"

33 **SECTION 8.(b)** This section is effective when it becomes law and applies to offers
 34 in compromise accepted on or after that date.

35
 36 **CLARIFY THAT WINE SHOP PERMITTEES MAY HOLD MALT BEVERAGE SHOP**
 37 **PERMITS AND THAT MALT BEVERAGE SHOP PERMITTEES MAY HOLD WINE**
 38 **SHOP PERMITS**

39 **SECTION 9.** G.S. 18B-1001 reads as rewritten:

40 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

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

- 43 ...
- 44 (16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt
 45 beverages, unfortified wine, and fortified wine in the manufacturer's original
 46 container for consumption off the premises, (ii) the retail sale of malt
 47 beverages or unfortified wine dispensed from a tap connected to a pressurized
 48 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
 49 container that is filled or refilled and sealed for consumption off the premises
 50 and that identifies the permittee and the date the container was filled or
 51 refilled, and (iii) wine tastings on the premises conducted and supervised by

1 the permittee in accordance with subdivision (15) of this section. It also
 2 authorizes the holder of the permit to ship malt beverages, unfortified wine,
 3 and fortified wine in closed containers to individual purchasers inside and
 4 outside the State. The permit may be issued for retail businesses whose
 5 primary purpose is selling malt beverages and wine for consumption off the
 6 premises and regularly and customarily educating consumers through tastings,
 7 classes, and seminars about the selection, serving, and storing of wine. The
 8 holder of the permit is authorized to sell unfortified wine for consumption on
 9 the premises, provided ~~that~~that, except as otherwise provided in this
 10 subdivision, the sale of wine for consumption on the premises does not exceed
 11 forty percent (40%) of the establishment's total sales for any 30-day period.
 12 The holder of a wine-tasting permit not engaged in the preparation or sale of
 13 food on the premises is not subject to Part 6 of Article 8 of Chapter 130A of
 14 the General Statutes. A holder of a wine shop permit shall also be eligible to
 15 hold a malt beverage shop permit under G.S. 18B-1001(16a). If the holder of
 16 a wine shop permit also holds a malt beverage shop permit, then the sales of
 17 alcoholic beverages for consumption on the premises may not exceed forty
 18 percent (40%) of the establishment's total sales for any 30-day period.

19 (16a) Malt Beverage Shop Permit. – A malt beverage shop permit authorizes (i) the
 20 retail sale of malt beverages, unfortified wine, and fortified wine in the
 21 manufacturer's original container for consumption off the premises, (ii) the
 22 retail sale of malt beverages dispensed from a tap connected to a pressurized
 23 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
 24 container that is filled or refilled and sealed for consumption off the premises
 25 and that identifies the permittee and the date the container was filled or
 26 refilled, and (iii) malt beverage tastings on the premises conducted and
 27 supervised by the permittee in accordance with subdivision (18) of this
 28 section. It also authorizes the holder of the permit to ship malt beverages,
 29 unfortified wine, and fortified wine in closed containers to individual
 30 purchasers inside and outside the State. The permit may be issued for retail
 31 businesses whose primary purpose is selling malt beverages for consumption
 32 off the premises and regularly and customarily educating consumers through
 33 tastings, classes, and seminars about the selection, serving, and storing of malt
 34 beverages. The holder of the permit is authorized to sell malt beverages for
 35 consumption on the premises, provided ~~that~~that, except as otherwise provided
 36 in this subdivision, the sale of malt beverages, combined, for consumption on
 37 the premises does not exceed forty percent (40%) of the establishment's total
 38 sales for any 30-day period. The holder of a malt beverage tasting permit not
 39 engaged in the preparation or sale of food on the premises is not subject to
 40 Part 6 of Article 8 of Chapter 130A of the General Statutes. A holder of a malt
 41 beverage shop permit shall also be eligible to hold a wine shop permit under
 42 G.S. 18B-1001(16). If the holder of a malt beverage shop permit also holds a
 43 wine shop permit, then the sales of alcoholic beverages for consumption on
 44 the premises may not exceed forty percent (40%) of the establishment's total
 45 sales for any 30-day period.

46"

47
 48 **CLARIFY ABC COMMISSION NOTICE TO PERMIT HOLDER**

49 **SECTION 10.(a)** G.S. 18B-502(c) reads as rewritten:

50 "(c) Notice to Permit Holders. – If the Commission receives a report from a ~~law~~
 51 ~~enforcement agency other than the Division of Alcohol Law Enforcement of the Department of~~

1 ~~Public Safety or a local ABC officer~~ any law enforcement agency documenting violations of this
2 Chapter or Chapter 14 of the General Statutes for conduct occurring on the premises of a
3 permitted establishment, the Commission shall send notice of the alleged violation to the holder
4 of the permit within five business days of receipt of the law enforcement agency report. The
5 written notice shall identify the currently alleged violations and the involved employee. Nothing
6 in this subsection shall prevent or limit the Commission from taking any additional action
7 warranted by the circumstances of the violation."

8 **SECTION 10.(b)** This section is effective when it becomes law and applies to
9 violations committed on or after that date.

10 **PART III. OTHER ABC CHANGES**

11 **ESTABLISH SERVICE BUSINESS PERMIT**

12 **SECTION 11.(a)** G.S. 18B-300(a1) reads as rewritten:

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

23 **SECTION 11.(b)** G.S. 18B-603 is amended by adding a new subsection to read:

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

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

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

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

37 **SECTION 11.(c)** G.S. 18B-902 reads as rewritten:

38 "**§ 18B-902. Application for permit; fees.**

39 ...

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

42 ...

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

44 ...

45 (h) Recycling Plan Required. – Each applicant for an on-premises malt beverage permit,
46 on-premises unfortified wine permit, service business permit, on-premises fortified wine permit,
47 or a mixed beverages permit shall prepare and submit with the application a plan for the collection
48 and recycling of all recyclable beverage containers of all beverages to be furnished or sold at
49 retail on the premises. Each applicant for a mobile bar services permit shall prepare and submit
50
51

1 with the application a plan for the collection and recycling of all recyclable beverage containers
 2 of all beverages to be served at an event pursuant to the permit. A permittee who is not able to
 3 find a recycler for its beverage containers may apply to the Alcoholic Beverage Control
 4 Commission for a one-year stay of the requirement to implement a recycling program in
 5 compliance with G.S. 18B-1006.1. The application shall be made in a form specified by the
 6 Commission, shall detail the efforts made by the permittee to provide for the collection and
 7 recycling of beverage containers, and shall specify the impediments to implementation of a
 8 recycling plan. The Commission shall submit all such applications to the Division of
 9 Environmental Assistance and Outreach of the Department of Environmental Quality for review
 10 and certification. The Division of Environmental Assistance and Outreach shall investigate each
 11 application and prepare a summary of its investigation and shall submit the summary to the
 12 Commission along with a notation indicating certification or denial of the application. A
 13 permittee whose application for a stay is certified by the Division of Environmental Assistance
 14 and Outreach shall not be required to comply with the recycling requirement of the alcoholic
 15 beverage laws and regulations during the one-year stay period so certified."

16 **SECTION 11.(d)** G.S. 18B-903, as amended by Section 6 of this act, reads as
 17 rewritten:

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

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

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

24 ...

25 (b1) Registration. – Each person holding a malt beverage, fortified wine, ~~or unfortified~~
 26 ~~wine permit~~ unfortified wine, or service business permit issued pursuant to G.S. 18B-902(d)(1)
 27 through G.S. 18B-902(d)(6) or G.S. 18B-902(d)(57) shall register by May 1 of each year on a
 28 form provided by the Commission, in order to provide information needed by the State in
 29 enforcing this Chapter and to support the costs of that enforcement. ~~The~~ For permits issued
 30 pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6), the registration required by this
 31 subsection shall be accompanied by an annual registration fee of four hundred dollars (\$400.00)
 32 for each permit held. For permits issued pursuant to G.S. 18B-902(d)(57), the registration
 33 required by this subsection shall be accompanied by an annual registration fee of fifty dollars
 34 (\$50.00) for each permit held. The fee shall be paid by May 1 of each year. A registration fee
 35 shall not be refundable. Failure to pay the annual registration fee shall result in revocation of the
 36 permit.

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

46"

47 **SECTION 11.(e)** G.S. 18B-1000 reads as rewritten:

48 **"§ 18B-1000. Definitions concerning establishments.**

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

50 ...

1 (7a) Service business. – An establishment that is primarily engaged in the business
2 of providing services to the general public that require an occupational license
3 issued by the State.

4 (7a)(7b) Sports and entertainment venue. – Stadiums, ballparks, and other similar
5 facilities with a permanently constructed seating capacity of 3,000 or more
6 which are not located on the campus of a school, college, or university.

7 "

8 **SECTION 11.(f)** G.S. 18B-1001 is amended by adding a new subdivision to read:

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

20 **SECTION 11.(g)** G.S. 18B-1006.1(a) reads as rewritten:

21 "(a) Holders of on-premises malt beverage permits, on-premises unfortified wine permits,
22 service business permits, on-premises fortified wine permits, and mixed beverages permits shall
23 separate, store, and provide for the collection for recycling of all recyclable beverage containers
24 of all beverages furnished or sold at retail on the premises. A permittee has satisfied the
25 requirements of this section if it implements a recycling program that meets the minimum
26 standards of the model recycling program developed by the Commission pursuant to
27 G.S. 130A-309.14(m). Failure to comply with the requirements of this section shall not be
28 grounds for revocation of a permit. A conviction for violation of this section shall not constitute
29 an alcoholic beverage offense within the meaning of G.S. 18B-900(a)(4)."

30 **SECTION 11.(h)** This section becomes effective September 1, 2026.

31 32 COUNTY MIXED BEVERAGE ELECTION AMENDMENT

33 **SECTION 12.(a)** G.S. 18B-600(b) reads as rewritten:

34 "(b) County Elections. – Any county may hold a malt beverage, unfortified wine, or ABC
35 store election. A county may hold a mixed beverage election only if (i) the county already
36 operates at least one county ABC store or a city located in the county operates at least one ABC
37 store, or (ii) a county election on ABC stores is to be held at the same time as the mixed beverage
38 election. Provided, if a county does not operate at least one ABC store, a mixed beverages
39 permittee may purchase liquor from an ABC store that is designated as a mixed beverage ABC
40 store operated by any local board operating in the same county as the permittee or any adjacent
41 county."

42 **SECTION 12.(b)** This section is retroactively effective October 1, 2024, and applies
43 to elections held on or after that date.

44 45 REVISE LAW GOVERNING DISPLAY OF SPIRITUOUS LIQUOR DISTILLED OR 46 PRODUCED IN NORTH CAROLINA

47 **SECTION 13.** G.S. 18B-800(e) reads as rewritten:

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

1 INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE

2 **SECTION 14.(a)** G.S. 18B-101(4a) reads as rewritten:

3 "(4a) "Alcohol consumable" means any manufactured and packaged ice cream,
4 whipped cream, ice pop, gum-based, or gelatin-based food product containing
5 at least one-half of one percent (0.5%) alcohol by volume."

6 **SECTION 14.(b)** This section becomes effective December 1, 2026, and applies to
7 offenses committed on or after that date.

**9 PROVIDE MIXED BEVERAGES PERMITTEES WITH PRIOR NOTICE OF
10 APPORTIONED PRODUCT LOTTERY**

11 **SECTION 15.(a)** G.S. 18B-800 is amended by adding a new subsection to read:

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

19 **SECTION 15.(b)** This section becomes effective October 1, 2026, and applies to
20 lotteries or other random drawings to sell apportioned products held on or after that date.

**22 CLARIFY WHEN SPECIAL ONE-TIME PERMITS ARE REQUIRED FOR
23 NONPROFIT ORGANIZATIONS**

24 **SECTION 16.** G.S. 18B-1002(a) reads as rewritten:

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

27 ...

28 (2) A permit may be issued to a nonprofit organization to allow the retail sale of
29 malt beverages, unfortified wine, fortified wine, or mixed beverages, or to
30 allow brown-bagging, at a single fund-raising event of that organization. A
31 permit for this purpose shall not be issued for the sale of any kind of alcoholic
32 beverage in a jurisdiction where the sale of that alcoholic beverage is not
33 lawful. A permit is not required under this subdivision for an event conducted
34 by a nonprofit organization that meets any of the following:

35 a. The event is held on premises permitted under G.S. 18B-1001(1),
36 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6),
37 or 18B-1001(10) and the wine, malt beverages, and spirituous liquor
38 sold at the event are sold by the retail permittee from the retail
39 permittee's inventory.

40 b. The event is held on a premises that does not hold a permit under this
41 Chapter and the wine, malt beverages, and spirituous liquor sold or
42 served at the event is provided by one of the following in a manner
43 allowed under that permit:

44 1. A mobile bar services permittee pursuant to
45 G.S. 18B-1001(12a).

46 2. A mixed beverage catering permittee pursuant to
47 G.S. 18B-1001(12).

48 3. A malt beverage special event permittee pursuant to
49 G.S. 18B-1114.5.

50 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~~ an event held to allow the unit of local government or organization to raise funds. A permit is not required under this subdivision for an 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 purchased for use in mixed beverages. The issuance of this permit shall also allow a nonprofit organization to offer alcoholic beverages in the manufacturer's original closed container as a prize in a raffle or sell alcoholic beverages in the manufacturer's original closed container at auction at the ~~ticketed~~ event to allow the nonprofit organization to raise funds.

...."

SPECIAL MULTIPLE EVENT PERMIT

SECTION 17.(a) Article 10 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1002.2. Special multiple event permit.

1 (a) Definitions. – The following definitions apply to this section:

2 (1) Nonprofit organization. – An organization that is exempt from taxation under
3 section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(8), 501(c)(10), 501(c)(19), or
4 501(d) of the Internal Revenue Code or is exempt under similar provisions of
5 the General Statutes as a bona fide nonprofit charitable, civic, religious,
6 fraternal, patriotic, or veterans' organization or as a nonprofit volunteer fire
7 department, or as a nonprofit volunteer rescue squad or a bona fide
8 homeowners' or property owners' association.

9 (2) Political organization. – An organization covered by the provisions of
10 G.S. 163-96(a)(1) or (2) or a campaign organization established by or for a
11 person who is a candidate who has filed a notice of candidacy, paid the filing
12 fees or filed the required petition, and been certified as a candidate.

13 (b) Permit Authorized. – A special multiple event permit may be issued to an individual
14 person representing a nonprofit organization or a political organization to allow the following at
15 multiple fund-raising events of that organization:

16 (1) The retail sale of malt beverages, unfortified wine, fortified wine, and mixed
17 beverages.

18 (2) Brown-bagging.

19 (3) The serving of malt beverages, unfortified wine, fortified wine, and mixed
20 beverages at an event.

21 (4) Offering alcoholic beverages in the manufacturer's original closed container
22 as a prize in a raffle at an event.

23 (5) Selling alcoholic beverages in the manufacturer's original closed container at
24 auction at an event.

25 The permit holder must be present at any fund-raising event conducted pursuant to a special
26 multiple event permit.

27 (c) Permit Holder Limitations. – Not more than two persons representing a single
28 nonprofit organization or political organization may obtain permits pursuant to this section. No
29 person may hold a special multiple event permit as a representative of more than one nonprofit
30 organization or political organization.

31 (d) Notice of Events. – The holder of the permit shall provide written notice of a
32 fund-raising event to the Commission and to the governing body of the city or county in which
33 the fund-raising event will be located at least 30 days prior to the event. The notice shall include
34 the date, time, and location of the event and the types of alcoholic beverages to be sold or served
35 at the event. If the event is occurring on premises located partially or entirely within the
36 boundaries of a social district and is scheduled to occur during hours when alcoholic beverages
37 may be consumed in the social district, the holder of the permit shall include that information in
38 the notice.

39 To be considered by the Commission, the local governing body must file any objection in
40 writing with the Commission not less than 15 days prior to the event and must state the facts
41 upon which the objection is based.

42 The Commission shall have the sole power, in its discretion, to determine suitability of the
43 location at which the permit will be used to conduct a fund-raising event.

44 (e) Records. – The permit holder shall maintain for a period of at least one year a record
45 of each fund-raising event conducted. The record shall include the date of the fund-raising event,
46 the time of the fund-raising event, an identification of the venue at which the fund-raising event
47 was held, and the types of alcoholic beverages sold or served at the event. The permit holder shall
48 allow the Commission to inspect those records at any time.

49 (f) General Limitations. – A permit issued pursuant to this section shall not allow any of
50 the following:

1 (1) The sale of any kind of alcoholic beverage in a jurisdiction where the sale of
2 that alcoholic beverage is not lawful.

3 (2) The sale or consumption of alcoholic beverages outside the hours authorized
4 in G.S. 18B-1004.

5 (g) A permit is not required under this section for an event conducted by a nonprofit
6 organization or political organization that meets any of the following:

7 (1) The event is held on premises permitted under G.S. 18B-1001(1),
8 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6), or
9 18B-1001(10) and the wine, malt beverages, and spirituous liquor sold at the
10 event are sold by the retail permittee from the retail permittee's inventory.

11 (2) The event is held on a premises that does not hold a permit under this Chapter
12 and the wine, malt beverages, and spirituous liquor sold or served at the event
13 is provided by one of the following in a manner allowed under that permit:

14 a. A mobile bar services permittee pursuant to G.S. 18B-1001(12a).

15 b. A mixed beverage catering permittee pursuant to G.S. 18B-1001(12).

16 c. A malt beverage special event permittee pursuant to G.S. 18B-1114.5.

17 d. A winery special event permittee pursuant to G.S. 18B-1114.1.

18 e. A spirituous liquor special event permittee pursuant to
19 G.S. 18B-1114.7."

20 **SECTION 17.(b)** G.S. 18B-125 reads as rewritten:

21 "**§ 18B-125. Exceptions.**

22 This Article does not create a claim for relief against any of the following:

23 (1) One who holds only a brown bagging permit, a special occasions permit, or a
24 limited special occasions ~~permit;~~permit.

25 (2) One who holds only a special one-time permit under ~~G.S.~~
26 ~~18B-1002;~~G.S. 18B-1002.

27 (2a) One who holds only a special multiple event permit under G.S. 18B-1002.2.

28 (3) One who holds only permits listed in ~~G.S. 18B-1100;~~G.S. 18B-1100.

29 (4) One who holds any combination of the permits listed in this section."

30 **SECTION 17.(c)** G.S. 18B-300.1(j) reads as rewritten:

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

33 (1) The Commission may issue special one-time permits pursuant to
34 G.S. 18B-1002(a)(2) or (a)(5) for events occurring on premises located
35 partially or entirely within the boundaries of a social district. If the event is
36 scheduled to occur during hours when alcoholic beverages may be consumed
37 in the social district, the event permittee shall, in addition to obtaining such
38 signed law enforcement notification as may be required under the
39 Commission's rules, include in such notification a statement that the event is
40 to occur in a social district during days and hours designated for consumption
41 of alcoholic beverages.

42 (2) A permittee holding a winery special event permit, malt beverage special
43 event permit, or spirituous liquor special event permit pursuant to
44 G.S. 18B-1114.1, 18B-1114.5, and 18B-1114.7, respectively, may sell and
45 serve products at special events taking place in a social district.

46 (3) A permittee holding a mixed beverages catering permit pursuant to
47 G.S. 18B-1001(12) may serve spirituous liquor to guests at events taking place
48 in a social district.

49 (4) A permittee holding a special multiple event permit pursuant to
50 G.S. 18B-1002.2 may hold an event in a social district."

51 **SECTION 17.(d)** G.S. 18B-603(f) reads as rewritten:

1 "(f) Permits Not Dependent on Elections. – The Commission may issue the following
2 kinds of permits without approval at an election:

3 ...

4 (11) Special multiple event permits issued under G.S. 18B-1002.2."

5 **SECTION 17.(e)** G.S. 18B-900(a) reads as rewritten:

6 "(a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must
7 satisfy all of the following requirements:

8 ...

9 (8) Be current in filing all applicable tax returns to the State and in payment of all
10 taxes, interest, and penalties that are collectible under G.S. 105-241.22. This
11 subdivision does not apply to the following ABC permits:

12 a. Special occasion permit under G.S. 18B-1001(8).

13 b. Limited special occasion permit under G.S. 18B-1001(9).

14 c. Special one-time permit under G.S. 18B-1002.

15 d. Salesman permit under G.S. 18B-1111.

16 e. Special multiple event permit under G.S. 18B-1002.2.

17"

18 **SECTION 17.(f)** G.S. 18B-901(b) reads as rewritten:

19 "(b) Notice to Local Government. – Before issuing a retail ABC permit, ~~other than a:~~

20 ~~(1) Special occasion permit under G.S. 18B-1001(8);~~

21 ~~(2) Limited special occasion permit under G.S. 18B-1001(9);~~

22 ~~(3) Temporary permit under G.S. 18B-905; or~~

23 ~~(4) Special one-time permit under G.S. 18B-1002~~

24 permit for an establishment, the Commission shall give notice of the permit application to the
25 governing body of the city in which the establishment is located. If the establishment is not inside
26 a city, the Commission shall give notice to the governing body of the county. The Commission
27 shall allow the local governing body 15 days from the time the notice was mailed or delivered to
28 file written objection to the issuance of the permit. To be considered by the Commission, the
29 objection shall state the facts upon which it is based.

30 This subsection shall not apply to the following permits:

31 (1) A special occasion permit under G.S. 18B-1001(8).

32 (2) A limited special occasion permit under G.S. 18B-1001(9).

33 (3) A temporary permit under G.S. 18B-905.

34 (4) A special one-time permit under G.S. 18B-1002.

35 (5) A special multiple event permit under G.S. 18B-1002.2."

36 **SECTION 17.(g)** G.S. 18B-902(d) reads as rewritten:

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

39 ...

40 (58) Special multiple event permit – \$200.00."

42 REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT

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

44 "§ 18B-905. Temporary permits.

45 When an application has been received in proper form, with the required application fee, the
46 Commission may issue a temporary permit for any of the activities for which permits are
47 authorized under G.S. 18B-1001 and 18B-1100. If the person has applied to the applicable local
48 government for the Inspection/Zoning Compliance and Local Government Opinion forms
49 required for the application but has not received approvals or denials from the local government,
50 the applicant may submit a sworn affidavit with the application stating that the person has applied
51 to the local government for the Inspection/Zoning Compliance and Local Government Opinion

1 approvals in lieu of those approvals. The person shall send the local government approvals or
2 denials to the Commission within three business days of receiving the approvals or denials. A
3 temporary permit may be revoked summarily by the Commission without complying with the
4 provisions of Chapter 150B. Revocation of a temporary permit or withdrawal by the Commission
5 of a pending application by a permittee possessing a temporary permit shall be effective upon
6 service of the notice of revocation or withdrawal upon the permittee at either the permittee's
7 residence or the address given for the business in the permit application or upon the expiration
8 of five business days after the notice of the revocation or withdrawal has been mailed to the
9 permittee at either the permittee's residence or the address given for the business in the permit
10 application. No further notice shall be required."

11 **SECTION 18.(b)** This section becomes effective October 1, 2026, and applies to
12 applications received on or after that date.

13
14 **REVISE LAW REGULATING THE SALE AND DELIVERY OF MORE THAN ONE**
15 **DRINK AT A TIME TO A SINGLE PATRON**

16 **SECTION 19.(a)** G.S. 18B-1010(a) reads as rewritten:

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

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

- 25 a. ~~A malt beverage.~~
26 b. ~~Unfortified wine.~~
27 c. ~~Fortified wine.~~

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

30 **SECTION 19.(b)** G.S. 18B-1001(10) reads as rewritten:

31 "(10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail
32 sale of mixed beverages for consumption on the premises. The permit also
33 authorizes a mixed beverages permittee to obtain an antique spirituous liquor
34 permit under subdivision (20) of this section and to use for culinary purposes
35 spirituous liquor lawfully purchased for use in mixed beverages. The permit
36 may be issued for any of the following:

- 37 a. Restaurants.
38 b. Hotels.
39 c. Private clubs.
40 d. Convention centers.
41 e. Community theatres.
42 f. Nonprofit organizations.
43 g. Political organizations.
44 h. Sports and entertainment venues.
45 i. Bars.
46 j. The holder of a distillery permit authorized under G.S. 18B-1105.
47 k. Breweries.
48 l. Wineries.

49 Additionally, a mixed beverages permit authorizes a permittee that is a
50 restaurant, hotel, private club, bar, brewery, winery, or the holder of a
51 distillery permit to sell at retail mixed beverages for consumption off the

1 premises, including delivery by the permittee or a delivery service permittee.
2 A mixed beverage sold for consumption off the premises must be sold with
3 food and shall be (i) a premixed cocktail in the manufacturer's original closed
4 container, or (ii) packaged in a container with a secure lid or cap, and in a
5 manner designed to prevent consumption without removal of the lid or cap.
6 The container shall be no greater than 24 fluid ounces. In accordance with
7 G.S. 20-138.7, the transportation of a mixed beverage in a motor vehicle shall
8 not be unlawful if the container is an unopened manufacturer's original
9 container or is transported in a locked container, in the trunk, or in the area
10 behind the last upright seat in a motor vehicle not equipped with a trunk.
11 Notwithstanding G.S. 18B-1010, the sale of more than ~~one mixed beverage~~
12 ~~drink~~ two mixed beverage drinks at one time shall not be unlawful if the mixed
13 beverage drinks are sold for delivery or consumption off the permittee's
14 premises. No mixed beverage ordered for off-premises consumption shall be
15 provided to any person other than the purchaser of the mixed beverage, except
16 that in the case of delivery, the delivery service permittee through its
17 employees or agents may provide the mixed beverage to a person other than
18 the purchaser if the permittee or the permittee's employees or agents verify
19 that the person is over 21 years of age using age verification software requiring
20 the recipient to provide a form of photographic identification authorized in
21 G.S. 18B-302(d)(1)."

22 **SECTION 19.(c)** This section becomes effective October 1, 2026, and applies to
23 alcoholic beverages sold on or after that date.
24

25 **ALLOW THE SALE OF MULTIPLE ALCOHOLIC BEVERAGE DRINKS TO A** 26 **SINGLE PATRON IN A VESSEL**

27 **SECTION 20.(a)** G.S. 18B-1010 is amended by adding a new subsection to read:

28 "(c) The holder of an on-premises malt beverage permit, on-premises unfortified wine
29 permit, on-premises fortified wine permit, or mixed beverages permit, or a permittee otherwise
30 authorized to sell malt beverages, unfortified wine, fortified wine, or mixed beverages for
31 on-premises consumption, may sell and deliver up to six alcoholic beverage drinks at one time
32 to a single patron for on-premises consumption if the alcoholic beverage drinks are in the
33 manufacturer's original unopened container and delivered to the patron in a single vessel."

34 **SECTION 20.(b)** The Revisor of Statutes shall replace all references to
35 "G.S. 18B-1010" with "G.S. 18B-1010(a)" in G.S. 18B-300.1(f), 18B-1001, and 18B-1001.5(g).
36

37 **MODIFY REQUIREMENTS FOR TOURISM ABC ESTABLISHMENTS**

38 **SECTION 21.** G.S. 18B-101(14a) reads as rewritten:

39 "(14a) "Tourism ABC establishment" means a restaurant or hotel that is in a county
40 in which the on-premises or off-premises sale of malt beverages or unfortified
41 wine is authorized in at least one city and that meets ~~both~~ either of the
42 following requirements:

- 43 a. Is located on property, a property line of which is located within ~~1.5~~
44 ~~miles~~ 2 miles of the end of an entrance or exit ramp of a junction on a
45 national scenic parkway designed to attract local, State, national, and
46 international tourists between the State line and Milepost 469,
47 provided that the Eastern Band of Cherokee Indians tribal alcoholic
48 beverage control commission established under G.S. 18B-112 shall
49 have exclusive authority to issue permits pursuant to this subdivision
50 between Milepost 460 and the southern terminus of the national scenic

1 byway at Milepost 469 for any restaurant or hotel that is located
2 wholly on Indian Country lands.

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

8 CLEANING OF DRAFT LINES

9 SECTION 22.(a) G.S. 18B-1116(a)(4) reads as rewritten:

10 "(4) Provide or offer to provide draft line cleaning services (i) to an alcoholic
11 beverage retailer ~~unless the retailer pays the fair market value for such~~
12 ~~services at a different cost per line than to another alcoholic beverage retailer~~
13 ~~or (ii) to some alcoholic beverage retailers but not others. Nothing in this~~
14 ~~subdivision shall require any manufacturer, bottler, or wholesaler of any~~
15 ~~alcoholic beverages, or any officer, director, or affiliate thereof, to provide or~~
16 ~~offer to provide draft line cleaning services."~~

17 SECTION 22.(b) G.S. 18B-1003 is amended by adding a new subsection to read:

18 "(e) Draft Line Cleaning. – Any permittee that provides draft alcoholic beverages shall
19 ensure that draft lines are cleaned on a regular basis and shall maintain a record of each date of
20 cleaning and the person or entity that performed the cleaning for at least 12 months."

21 SECTION 22.(c) This section becomes effective October 1, 2026.

23 ALLOW ABC COMMISSION TO REQUIRE REAL-TIME REPORTING

24 SECTION 23. G.S. 18B-205 reads as rewritten:

25 "§ 18B-205. Accounts and reports required.

26 (a) Accounts and Reports. – The Commission may require local boards to submit
27 quarterly mixed beverage reports, quarterly and annual audits, monthly sales records, and any
28 other reports or audits relating to the operations of the local ABC systems.

29 (b) Accounting System. – The Commission may require local boards to use generally
30 accepted accounting standards and a chart of accounts prescribed by the Commission in the
31 operation of ABC stores, and to record all information necessary and useful to the Commission
32 in auditing the operation of ABC systems and administering the ABC law.

33 (c) Audits. – The Commission may audit the operation of any local ABC store or board,
34 and the books of those stores and boards shall remain open to the Commission for inspection.

35 (d) Real-Time Reporting. – The Commission may require local boards to submit daily,
36 weekly, and monthly sales data to a designated vendor in real time. A local board may satisfy
37 this requirement by connecting or integrating the point-of-sale system used in its ABC stores
38 with the designated vendor."

40 ALLOW CERTAIN ABC PERMITTEES TO PREPARE MIXED BEVERAGES FOR 41 CONSUMER TASTINGS IN ABC STORES

42 SECTION 24. G.S. 18B-1114.7(c) reads as rewritten:

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

45 ...

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

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

...."

MODIFY THE PROHIBITIONS ON ABC PERMITTEES EMPLOYING CERTAIN INDIVIDUALS

SECTION 25.(a) G.S. 18B-1003(c) reads as rewritten:

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

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

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

SECTION 25.(b) The ABC Commission shall adopt rules to amend its rules consistent with this section.

SECTION 25.(c) This section is effective when it becomes law and applies to individuals employed by ABC permittees and undue hardship proceedings on or after that date.

ALLOW OFF-PREMISES WINE TASTINGS

SECTION 26. G.S. 18B-1001, as amended by Section 9 of this act, reads as rewritten:

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

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

...

- (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine permit authorizes (i) the retail sale of unfortified wine for consumption on the premises, either alone or mixed with other beverages, (ii) the retail sale of unfortified wine in the manufacturer's original container for consumption off the premises, ~~and~~ (iii) the retail sale of unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas into a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or ~~refilled~~ refilled, and (iv) wine tastings conducted at a consumer's private residence or a location not holding a permit under this section where consumers are educated about selection, serving, and storing of wine by the permittee or the permittee's employee or agent utilizing wine from the permit holder's inventory and consumers may purchase wine for future delivery or pick-up at the permittee's permitted premises. The permit also

1 authorizes the permittee to transfer unfortified wine, not more than four times
2 per calendar year, to another on-premises unfortified wine permittee that is
3 under common ownership or control as the transferor. Except as authorized
4 by this subdivision, transfers of wine by on-premises unfortified wine
5 permittees, purchases of wine by a retail permittee from another retail
6 permittee for the purpose of resale, and sale of wine by a retail permittee to
7 another retail permittee for the purpose of resale are unlawful. In addition, a
8 particular brand of wine may be transferred only if both the transferor and
9 transferee are located within the territory designated between the winery and
10 the wholesaler on file with the Commission. Prior to or contemporaneous with
11 any such transfer, the transferor shall notify each wholesaler who distributes
12 the transferred product of the transfer. The notice shall be in writing or
13 verifiable electronic format and shall identify the transferor and transferee, the
14 date of the transfer, quantity, and items transferred. The holder of the permit
15 is authorized to ship unfortified wine in closed containers to individual
16 purchasers inside and outside the State. Orders received by a winery by
17 telephone, Internet, mail, facsimile, or other off-premises means of
18 communication shall be shipped pursuant to a wine shipper permit and not
19 pursuant to this subdivision. The permit may be issued for any of the
20 following:

- 21 a. Restaurants.
- 22 b. Hotels.
- 23 c. Eating establishments.
- 24 d. Private clubs.
- 25 e. Convention centers.
- 26 f. Cooking schools.
- 27 g. Community theatres.
- 28 h. Wineries.
- 29 i. Wine producers.
- 30 j. Retail businesses.
- 31 k. Sports and entertainment venues.
- 32 l. Bars.
- 33 m. The holder of a distillery permit authorized under G.S. 18B-1105.
- 34 n. Breweries.

35 Additionally, an on-premises unfortified wine permit authorizes a permittee
36 that is a restaurant, eating establishment, hotel, private club, bar, brewery,
37 winery, or wine producer to sell at retail single-serving unfortified wine drinks
38 for consumption off the premises, including delivery by the permittee or a
39 delivery service permittee. Single-serving unfortified wine drinks sold for
40 consumption off the premises must be sold with food and shall be packaged
41 in a container with a secure lid or cap and in a manner designed to prevent
42 consumption without removal of the lid or cap. The container shall be no
43 greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the
44 transportation of single-serving unfortified wine drinks in a motor vehicle
45 shall not be unlawful if the container is an unopened manufacturer's original
46 container or is transported in a locked container, in the trunk, or in the area
47 behind the last upright seat in a motor vehicle not equipped with a trunk.
48 Notwithstanding G.S. 18B-1010, the sale of more than two single-serving
49 unfortified wine drinks at one time shall not be unlawful if the single-serving
50 unfortified wine drinks are sold for delivery or consumption off the permittee's
51 premises. No single-serving unfortified wine by the drink ordered for

1 off-premises consumption shall be provided to any person other than the
 2 purchaser of the single-serving unfortified wine drink, except that in the case
 3 of delivery, the delivery service permittee through its employees or agents
 4 may provide the single-serving unfortified wine drink to a person other than
 5 the purchaser if the permittee or the permittee's employees or agents verify
 6 that the person is over 21 years of age using age verification software requiring
 7 the recipient to provide a form of photographic identification authorized in
 8 G.S. 18B-302(d)(1).

9 ...

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

42"

43
 44 **ON-PREMISES SALES AT WINERIES AND BREWERIES**

45 **SECTION 27.(a)** G.S. 18B-1001, as amended by Section 26 of this act, reads as
 46 rewritten:

47 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

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

- 50 (1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
 51 authorizes (i) the retail sale of malt beverages for consumption on the

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

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

38 ...
39 (3)

40 On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
41 permit authorizes (i) the retail sale of unfortified wine for consumption on the
42 premises, either alone or mixed with other beverages, (ii) the retail sale of
43 unfortified wine in the manufacturer's original container for consumption off
44 the premises, (iii) the retail sale of unfortified wine dispensed from a tap
45 connected to a pressurized container utilizing carbon dioxide or similar gas
46 into a cleaned and sanitized container that is filled or refilled and sealed for
47 consumption off the premises and that identifies the permittee and the date the
48 container was filled or refilled, and (iv) wine tastings conducted at a
49 consumer's private residence or a location not holding a permit under this
50 section where consumers are educated about selection, serving, and storing of
51 wine by the permittee or the permittee's employee or agent utilizing wine from
the permit holder's inventory and consumers may purchase wine for future

1 delivery or pick-up at the permittee's permitted premises. The permit also
2 authorizes the permittee to transfer unfortified wine, not more than four times
3 per calendar year, to another on-premises unfortified wine permittee that is
4 under common ownership or control as the transferor. Except as authorized
5 by this subdivision, transfers of wine by on-premises unfortified wine
6 permittees, purchases of wine by a retail permittee from another retail
7 permittee for the purpose of resale, and sale of wine by a retail permittee to
8 another retail permittee for the purpose of resale are unlawful. In addition, a
9 particular brand of wine may be transferred only if both the transferor and
10 transferee are located within the territory designated between the winery and
11 the wholesaler on file with the Commission. Prior to or contemporaneous with
12 any such transfer, the transferor shall notify each wholesaler who distributes
13 the transferred product of the transfer. The notice shall be in writing or
14 verifiable electronic format and shall identify the transferor and transferee, the
15 date of the transfer, quantity, and items transferred. The holder of the permit
16 is authorized to ship unfortified wine in closed containers to individual
17 purchasers inside and outside the State. Orders received by a winery by
18 telephone, Internet, mail, facsimile, or other off-premises means of
19 communication shall be shipped pursuant to a wine shipper permit and not
20 pursuant to this subdivision. The permit may be issued for any of the
21 following:

- 22 a. Restaurants.
- 23 b. Hotels.
- 24 c. Eating establishments.
- 25 d. Private clubs.
- 26 e. Convention centers.
- 27 f. Cooking schools.
- 28 g. Community theatres.
- 29 h. Wineries.
- 30 i. Wine producers.
- 31 j. Retail businesses.
- 32 k. Sports and entertainment venues.
- 33 l. Bars.
- 34 m. The holder of a distillery permit authorized under G.S. 18B-1105.
- 35 n. ~~Breweries.~~ Breweries as authorized by subdivisions (7) and (7c) of
36 G.S. 18B-1104(a).

37 Additionally, an on-premises unfortified wine permit authorizes a permittee
38 that is a restaurant, eating establishment, hotel, private club, bar, brewery,
39 winery, or wine producer to sell at retail single-serving unfortified wine drinks
40 for consumption off the premises, including delivery by the permittee or a
41 delivery service permittee. Single-serving unfortified wine drinks sold for
42 consumption off the premises must be sold with food and shall be packaged
43 in a container with a secure lid or cap and in a manner designed to prevent
44 consumption without removal of the lid or cap. The container shall be no
45 greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the
46 transportation of single-serving unfortified wine drinks in a motor vehicle
47 shall not be unlawful if the container is an unopened manufacturer's original
48 container or is transported in a locked container, in the trunk, or in the area
49 behind the last upright seat in a motor vehicle not equipped with a trunk.
50 Notwithstanding G.S. 18B-1010, the sale of more than two single-serving
51 unfortified wine drinks at one time shall not be unlawful if the single-serving

unfortified wine drinks are sold for delivery or consumption off the permittee's premises. No single-serving unfortified wine by the drink ordered for off-premises consumption shall be provided to any person other than the purchaser of the single-serving unfortified wine drink, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the single-serving unfortified wine drink 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).

...."

SECTION 27.(b) G.S. 18B-1101 reads as rewritten:

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

The holder of an unfortified winery permit may:

...

(5) Regardless of the results of any local wine election, sell the wine owned by the winery at the winery for on- or off-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001;

(5a) Regardless of the results of any local malt beverage election, sell malt beverages for on-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001;

...."

SECTION 27.(c) G.S. 18B-1102 reads as rewritten:

"§ 18B-1102. Authorization of fortified winery permit.

The holder of a fortified winery permit may:

...

(5) Regardless of the results of any local wine election, sell the winery's wine for ~~on- or~~ on- or off-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001.

(5a) Regardless of the results of any local malt beverage election, sell malt beverages for on-premise consumption upon obtaining the appropriate permit under G.S. 18B-1001.

...."

SECTION 27.(d) G.S. 18B-1104 reads as rewritten:

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

(a) Authorized Acts. – The holder of a brewery permit may:

...

(7) In an area where the sale of any type of alcoholic beverage is authorized by law, and upon receiving the appropriate permit under G.S. 18B-1001, sell at the brewery, and any additional retail location authorized under subdivision (8) of this subsection, any or all of the following:

- a. The brewery's malt beverages that have been approved by the Commission for sale in North Carolina.
- b. Malt beverages manufactured by the permittee in some other state that have been approved by the Commission for sale in North Carolina.
- c. Any other alcoholic beverages approved by the Commission for sale in North Carolina, if sale of the alcoholic beverage is otherwise authorized in that area.

(7a) Repealed by Session Laws 2019-182, s. 21(a), effective October 1, 2019.

1 (7b) Regardless of the results of any local malt beverage election, sell the malt
 2 beverages owned by the brewery at the brewery for on- or off-premise
 3 consumption upon obtaining the appropriate permit under G.S. 18B-1001.

4 (7c) Regardless of the results of any local unfortified wine election, sell unfortified
 5 wine for on-premise consumption upon obtaining the appropriate permit
 6 under G.S. 18B-1001.

7"

8
 9 **ALLOW ABC PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR FROM**
 10 **DESIGNATED ABC STORES IN ADJACENT COUNTIES**

11 SECTION 28.(a) G.S. 18B-404 reads as rewritten:

12 "**§ 18B-404. Additional provisions for purchase and transportation by mixed beverage**
 13 **permittees.**

14 ...

15 (c) Designated Store. – A mixed beverage permittee may purchase spirituous liquor from
 16 ~~an any~~ ABC store that is designated as a mixed beverage ABC store operated by any local board
 17 operating in the same county as the ~~permittee-permittee~~ or any adjacent county.

18 (c1) Non-Solicitation. – A local board shall not solicit any mixed beverage permittee to
 19 purchase spirituous liquor except for permittees located within the board's jurisdiction.

20 ...

21 (f) Delivery Service. – A local board shall ~~offer~~ make available delivery service to mixed
 22 beverage ~~permittees-permittees~~ operating in the same jurisdiction as the local board. A local
 23 board may provide delivery service to mixed beverage permittees operating in the same county
 24 in which the local board is located or any adjacent county. In providing delivery of purchased
 25 products to mixed beverage permittees, the local board may use its employees or contract with
 26 one or more independent contractors and may charge a fee to the permittee. A local board in a
 27 Tier 1 or Tier 2 county, as defined in G.S. 143B-472.35(a2)(18), may request an exemption to
 28 this requirement from the ABC Commission. The Commission shall grant the request if the local
 29 board can show evidence of unreasonable hardship or difficulty incurred by implementing
 30 delivery service."

31 SECTION 28.(b) G.S. 18B-600 reads as rewritten:

32 "**§ 18B-600. Places eligible to hold alcoholic beverage elections.**

33 ...

34 (e) City Mixed Beverage Elections. – A city may hold a mixed beverage election if the
 35 city has at least 500 registered voters. Provided, that if a city that qualifies for an election under
 36 this subsection approves the sale of mixed beverages, a mixed beverages permittee in the city
 37 may purchase liquor from an ABC store that is designated as a mixed beverage ABC store
 38 operated by any local board operating in the same county as the ~~permittee-permittee~~ or any
 39 adjacent county.

40 (e1) Small City Mixed Beverage Elections. – A city may also hold a mixed beverage
 41 election if the city has at least 200 registered voters and is located in a county with at least one
 42 other city that has approved the sale of mixed beverages. Provided, that if a city that qualifies for
 43 an election under this subsection approves the sale of mixed beverages, a mixed beverages
 44 permittee in the smaller city may purchase liquor from an ABC store that is designated as a mixed
 45 beverage ABC store operated by any local board operating in the same county as the
 46 ~~permittee-permittee~~ or any adjacent county.

47 ...

48 (e4) Multicounty/City ABC Elections. – If a city is located in two or more counties, the
 49 following provisions shall apply:

50 ...

(3) If an election is held by a city under this subsection, all of the city voters may vote in the election. If the vote is for approval, alcoholic beverages may be sold on the basis of that approval and under the provisions of this Chapter. If the sale of mixed beverages is approved, a mixed beverage 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~~. ~~permittee or any adjacent county.~~ The remaining gross receipts shall be distributed in accordance with existing law applicable to those ABC stores, except that after the applicable distributions have been made pursuant to G.S. 18B-805(b), (c), and (d), the local share of the mixed beverages surcharge and the guest room cabinet surcharge required by G.S. 18B-804(b)(8) and (9) shall be distributed one-half to the general fund of the city where the mixed beverage permittees are located and one-half to the local ABC boards from whose stores liquor is purchased.

(e5) Small Resort Town ABC Elections. – A town may hold a mixed beverage election if it:

- (1) Was incorporated after 1990 and prior to the effective date of this subsection;
- (2) Has at least 100 residents;
- (3) Is located in a county that borders another state and that has two other municipalities which have ABC stores; and
- (4) At the time of the election, has corporate boundaries that border or include land in three counties.

Provided, that if a town that qualifies for an election under this subsection approves the sale of mixed beverages, a mixed beverages permittee in the town 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~~. ~~permittee or any adjacent county.~~

...."

SECTION 28.(c) G.S. 18B-603(h) reads as rewritten:

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

The Commission may issue the following permits:

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

The Commission may also issue on-premises malt beverage, unfortified wine, fortified wine and mixed beverages permits to a sports club located in a county adjacent to any county that has approved the sale of mixed beverages pursuant to G.S. 18B-603(d1), if the county in which the sports club is located borders another state and has at least one city that has approved the sale of mixed beverages. Sports clubs holding mixed beverages permits shall purchase their spirituous liquor at ~~the nearest any~~ ABC system store that is located in the ~~county~~. ~~county or an adjacent county.~~

The Commission may further issue on-premises malt beverage and on-premises unfortified wine permits to a sports club located in a county bordering on another state that is adjacent to any county in which permits were issued pursuant to this subsection prior to August 1, 1993. The

1 sports clubs must be located in the unincorporated areas of a county, in which the sale of malt
 2 beverages and unfortified wine is not permitted, and where there are six or more municipalities
 3 in that county where the sale of malt beverages and unfortified wine is permitted."

4 **SECTION 28.(d)** G.S. 18B-701(a) reads as rewritten:

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

- 6 (1) Buy, sell, transport, and possess alcoholic beverages as necessary for the
 7 operation of its ABC stores. In providing delivery of spirituous liquor to a
 8 mixed beverages permittee, ~~as required by~~ in accordance with
 9 G.S. 18B-404(f), the local board may use its employees or contract with one
 10 or more independent contractors and may charge a fee to the permittee. A
 11 mixed beverage permittee may contract with an independent contractor to
 12 provide delivery of spirituous liquor from an ABC board's store or warehouse
 13 to the permittee's premises.

14"

15 **SECTION 28.(e)** G.S. 18B-1001(12a), as amended by Section 7 of this act, reads as
 16 rewritten:

17 "(12a) Mobile Bar Services Permit. –

- 18 a. A mobile bar services permit may be issued to a business that provides
 19 bartending services for events. The permit authorizes the permittee to
 20 bring malt beverages, unfortified wine, fortified wine, and spirituous
 21 liquor onto the premises of a business that is not an ABC permittee
 22 and to serve the alcoholic beverages to guests at the event. Except as
 23 provided in sub-subdivision b. of this subdivision, the permittee may
 24 purchase malt beverages and unfortified wine only from a retailer. The
 25 permittee may purchase fortified wine and spirituous liquor only from
 26 an ABC store that is designated as a mixed beverage ABC store
 27 operated by any local board operating in the same county where the
 28 permittee's principal office is ~~located~~ located or in any county
 29 adjacent to the county where the permittee's principal office is located.
 30 If the permittee's premises for storage of inventory is a residential
 31 address, the permittee may designate an area of the premises to be used
 32 for storage of inventory pursuant to the permit. An inspection of the
 33 premises pursuant to G.S. 18B-502 shall extend only to the area that
 34 the permittee has designated for storage of inventory unless the law
 35 enforcement officer conducting the inspection has (i) a warrant to
 36 search the residence, or (ii) probable cause to search the residence and
 37 exigent circumstances exist.
- 38 b. The holder of a permit issued pursuant to G.S. 18B-1001(1), (3), (5),
 39 (16), or (16a) may also hold a mobile bar services permit at the same
 40 permitted premises. Notwithstanding sub-subdivision a. of this
 41 subdivision, a permittee who holds both a mobile bar services permit
 42 and a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or
 43 (16a) may not obtain or serve alcoholic beverages that the permittee is
 44 not allowed to sell under the permit or permits that the permittee holds
 45 that are issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a).
 46 The permittee shall only use as inventory for the mobile bar services
 47 permit the permittee's inventory of alcoholic beverages lawfully
 48 purchased from a wholesaler pursuant to the permit or permits that the
 49 permittee holds under G.S. 18B-1001(1), (3), (5), (16), or (16a). The
 50 mobile bar services permit shall authorize such a permittee to bring
 51 those alcoholic beverages onto the premises of a business that is not

1 an ABC permittee and serve the alcoholic beverages to guests at the
 2 event. Alcoholic beverages that are taken from the permittee's
 3 inventory to an event at another premises under a mobile bar services
 4 permit may be restored to inventory after the event if the alcoholic
 5 beverages are still in the manufacturer's original unopened container.

- 6 c. A mobile bar services permittee may not serve alcoholic beverages
 7 pursuant to a mobile bar services permit on the premises of any
 8 location owned or possessed by the permittee. The permittee shall
 9 notify the Commission, in writing, of the location of any event where
 10 the permittee will serve alcoholic beverages not less than one week
 11 before the event and shall have the permission of the owner or
 12 possessor of the property on which the event is to be held. Any person
 13 serving alcoholic beverages at the event shall be at least 21 years of
 14 age. Alcoholic beverages may be transported by the mobile bar
 15 services permit holder to the premises of the event no earlier than 8:00
 16 A.M. on the day of the event. At the conclusion of the event, all
 17 alcoholic beverages must be removed from the premises no later than
 18 12:00 noon of the following day. A limited special occasion permit
 19 shall not be required for an event at which alcoholic beverages are
 20 exclusively provided by the holder of a mobile bar services permit.
 21 The holder of a mobile bar services permit may bring alcoholic
 22 beverages onto the premises and serve the alcoholic beverages at an
 23 event regardless of whether there is a charge or fee for guests to attend
 24 the event. This permit does not allow the retail sale of individual
 25 alcoholic beverages to guests at an event."

26 **SECTION 28.(f)** G.S. 18B-1007(a) reads as rewritten:

27 "(a) Purchases. – A mixed beverages permittee may purchase spirituous liquor for resale
 28 as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale
 29 from a guest room cabinet only at an ABC store that is designated as a mixed beverage ABC
 30 store operated by any local board operating in the same county as the ~~permittee-permittee~~ or any
 31 adjacent county."

32 **SECTION 28.(g)** This section is effective when it becomes law and applies to
 33 spirituous liquor purchased on or after that date.

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

35 **SECTION 29.** G.S. 18B-1009 reads as rewritten:

36 **"§ 18B-1009. In-stand sales.**

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

- 41 (1) The seating areas are designated as part of the retail permittee's licensed
 42 premises;
 43 (2) The retail permittee has notified the Commission, in writing, of its intent to
 44 sell malt beverages in the seating areas at concerts or sporting events;
 45 (3) Service of food and nonalcoholic beverages is available in the seating areas;
 46 (4) The retail permittee has certified to the Commission that it has trained its
 47 employees:
 48 a. To identify underage persons and intoxicated persons; and
 49 b. To refuse to sell malt beverages to those persons as required by
 50 G.S. 18B-305; and
 51

1 (5) The employees do not verbally shout or hawk the sale of malt beverages.
2 (b) The North Carolina Alcoholic Beverage Control Commission shall adopt rules for the
3 suspension of alcohol sales in the latter portion of concerts or professional sporting events in
4 order to protect public safety at these events."
5

6 CREATE AUCTION HOUSE PERMIT

7 SECTION 30.(a) G.S. 18B-101 reads as rewritten:

8 "§ 18B-101. Definitions.

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

10 ...

11 (5a) "Antique spirituous liquor" means spirituous liquor that has not been in
12 production or bottled in the last ~~20 years~~, 10 years or has not been in inventory
13 in the State warehouse in the last 10 years, is in the original manufacturer's
14 unopened container, is not owned by a distillery, and is not otherwise available
15 for purchase by an ABC Board except through the special order process
16 pursuant to G.S. 18B-1001(20).

17 ...

18 (6a) "Decorative decanter" means a manufacturer's original sealed decanter of
19 spirituous liquor, limited in quantities as a specialized limited run, a limited
20 edition, or with historical significance with the manufacturer's distillery
21 markings and labeling.

22 ~~(6a)~~(6b) "Finance officer" means the local board employee, other than a general
23 manager, who is responsible for keeping the accounts of the local board,
24 receiving and depositing receipts, disbursing funds, and any other duties
25 assigned by the local board or Commission.

26"

27 SECTION 30.(b) G.S. 18B-902(d) reads as rewritten:

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

30 ...

31 ~~(45) Special auction permit – \$750.00.~~

32 ...

33 (59) Auction house permit – \$1,000."

34 SECTION 30.(c) G.S. 18B-1002.1 is repealed.

35 SECTION 30.(d) Article 10 of Chapter 18B of the General Statutes is amended by
36 adding a new section to read:

37 "§ 18B-1002.3. Auction house permit.

38 An auction house permit may be issued upon application to an auction firm or auctioneer
39 licensed by the North Carolina Auctioneers Commission pursuant to Chapter 85B of the General
40 Statutes to allow the licensed auction firm or auctioneer to sell at auction items described in
41 G.S. 18B-1002(a)(4) on the permittee's premises. An auction held under this section may receive
42 competing bids that are in person or by telephone, fax, or online. The permittee shall store any
43 auction items described in G.S. 18B-1002(a)(4) on the permittee's premises or at a secondary
44 location in this State that is disclosed in the permit application."

45 SECTION 30.(e) G.S. 18B-603(f), as amended by Section 17(d) of this act, reads as
46 rewritten:

47 "(f) Permits Not Dependent on Elections. – The Commission may issue the following
48 kinds of permits without approval at an election:

49 (1) Special occasion permits.

50 (2) Limited special occasion permits.

- 1 (3) Brown-bagging permits for private clubs and congressionally chartered
 2 veterans organizations.
 3 (4) Culinary permits, except as restricted by subdivision (d)(5).
 4 (5) Special one-time permits issued under G.S. 18B-1002.
 5 (6) All permits listed in G.S. 18B-1100.
 6 (7) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism
 7 ABC establishments.
 8 (8) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism
 9 resorts.
 10 (9) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for historic
 11 ABC establishments.
 12 ~~(10) Special auction permits issued under G.S. 18B-1002.1.~~
 13 (11) Special multiple event permits issued under G.S. 18B-1002.2.
 14 (12) Auction house permits issued under G.S. 18B-1002.3."
 15

16 **PART IV. STATE GOVERNMENT AND LOCAL BOARD ORGANIZATIONAL**
 17 **CHANGES**

18
 19 **ADD TWO MEMBERS TO THE ABC COMMISSION**

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

21 **"§ 18B-200. North Carolina Alcoholic Beverage Control Commission.**

22 (a) Creation of Commission; compensation. – The North Carolina Alcoholic Beverage
 23 Control Commission is created to consist of a chairman and ~~two~~four associate members. The
 24 Commission shall be administratively located within the Department of Public Safety but shall
 25 exercise its powers independently of the Secretary of Public Safety. The chairman shall devote
 26 his or her full time to his or her official duties and receive a salary fixed by the General Assembly
 27 in the Current Operations Appropriations Act. The associate members shall be compensated for
 28 per diem, subsistence and travel as provided in Chapter 138 of the General Statutes.

29 (b) Appointment of Members. – ~~Members~~The chairman of the Commission and two
 30 associate members shall be appointed by the Governor to serve at ~~his pleasure.~~the pleasure of the
 31 Governor. One associate member shall be appointed by the President Pro Tempore of the Senate
 32 to serve at the pleasure of the President Pro Tempore and one associate member shall be
 33 appointed by the Speaker of the House of Representatives to serve at the pleasure of the Speaker.

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

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

43 **SECTION 32.(b)** This section becomes effective December 1, 2026.
 44

45 **ALLOW ABC COMMISSION TO CONDUCT CONTESTED CASES UNDER ARTICLE**
 46 **3A OF THE ADMINISTRATIVE PROCEDURE ACT**

47 **SECTION 33.(a)** G.S. 150B-38(a) reads as rewritten:

48 "(a) The provisions of this Article shall apply to:

- 49 (1) Occupational licensing agencies.
 50 (2) The State Banking Commission, the Commissioner of Banks, and the Credit
 51 Union Division of the Department of Commerce.

- 1 (3) The Department of Insurance and the Commissioner of Insurance.
 2 (4) The State Chief Information Officer in the administration of the provisions of
 3 Article 15 of Chapter 143B of the General Statutes.
 4 (5) The North Carolina State Building Code Council and Residential Code
 5 Council, Article 9 of Chapter 143 of the General Statutes.
 6 (5a) The Office of the State Fire Marshal and the State Fire Marshal.
 7 (6) Repealed by Session Laws 2018-146, s. 4.4(b), effective December 27, 2018.
 8 (7) The North Carolina Alcoholic Beverage Control Commission."

9 **SECTION 33.(b)** This section becomes effective October 1, 2026, and applies to
 10 contested cases filed on or after that date.

11
 12 **PROHIBIT PRESENT MEMBERS OF CITY GOVERNING BODIES AND BOARDS OF**
 13 **COUNTY COMMISSIONERS FROM BEING APPOINTED TO SERVE ON LOCAL**
 14 **ABC BOARDS**

15 **SECTION 34.(a)** G.S. 18B-700(d) reads as rewritten:

16 "(d) Qualifications. – The appointing authority shall appoint members of a local board on
 17 the basis of the appointees' interest in public affairs, good judgment, knowledge, ability, and good
 18 moral character. Notwithstanding any other provision in this Article, no appointing authority
 19 shall appoint any present member of a city governing body or board of county commissioners to
 20 serve as a member on any local board."

21 **SECTION 34.(b)** This section is effective when it becomes law and applies to
 22 appointments made on or after that date. A person who is a member of a city governing body or
 23 board of county commissioners who is a member of a local board on the effective date of this
 24 section may serve the remainder of the person's term as a member of the local board.

25
 26 **AMEND DISTRIBUTION OF LOCAL BOARD REVENUES FOR THE CITY OF**
 27 **SANFORD**

28 **SECTION 35.** S.L. 1961-105, as amended by S.L. 1961-888, reads as rewritten:

29 "...

30 "Sec. 4. If a majority of the votes cast in such election shall be for the legal sale of beer and/or
 31 wine, then the Board of Aldermen of the City of Sanford shall issue license to sell beer and/or
 32 wine as defined in ~~General Statutes 18-64 as provided in Chapter 18~~ Chapter 18B of the General
 33 Statutes notwithstanding any Public, Special, Local or Private Act to the contrary whether passed
 34 before or after the ratification of this Act; provided, however, in no event shall a license be issued
 35 to any person, firm or corporation to sell beer and/or wine for "on premises" consumption
 36 anywhere in the City of Sanford. Notwithstanding any other provisions of this Act, it shall be
 37 unlawful to sell any beer or wine in the City of Sanford when such beer or wine has been
 38 refrigerated to a temperature less than the general temperature of the establishment wherein the
 39 sale is made, and any sale of refrigerated beer or wine shall be unlawful. Notwithstanding any
 40 other provisions of this Act, it shall be unlawful to sell beer in individual containers containing
 41 less than one gallon, except when six containers are sold at the same time to the same person:
 42 Provided, that more than six containers may be sold to the same person at the same time when
 43 the number of containers is some multiple of six.

44 A violation of either of the foregoing shall constitute a general misdemeanor punishable in
 45 the discretion of the court and a conviction or plea of nolo contendere to said charge shall operate
 46 to permanently revoke the license of the violator.

47 ...

48 "Sec. 8. The City Board of Alcoholic Beverage Control shall have all the powers and duties
 49 prescribed for ~~County Boards of Alcoholic Control by G. S. 18-45 and shall be subject to the~~
 50 ~~powers and authority of the State Board of Alcoholic Control to the same extent as are County~~
 51 ~~Boards of Alcoholic Control set forth in G. S. 18-39.~~ local boards set forth in G.S. 18B-701. The

1 City of Sanford Board of Alcoholic Control and the operation of Municipal Alcoholic Beverage
2 Control Stores authorized under the provisions of this Act shall be subject to the provisions of
3 ~~Article 3 of Chapter 18 Articles 7 and 8 of Chapter 18B~~ of the General Statutes except to the
4 extent that such provisions may be in conflict with this Act. Wherever the word "County" Board
5 of Alcoholic Control appears in said Article it shall apply to and include the City of Sanford
6 Board of Alcoholic Control. The City of Sanford Board of Alcoholic Control shall have authority
7 to employ legal counsel and such other employees as it may deem necessary and fix their
8 compensation. The per diem and subsistence allowance for the City of Sanford Board of
9 Alcoholic Control shall be fixed by the Board of Aldermen of the City of Sanford.

10 The City of Sanford Board of Alcoholic Beverage Control may appoint one of its members,
11 or any other person, as Supervisor of the system and pay such appointee an annual salary not to
12 exceed six thousand dollars (\$6,000.00), which shall, in the case of a board member, be in lieu
13 of all other compensation for services rendered; provided, no person shall serve as Supervisor
14 and Chairman. Designation or appointment by the board of one of its members as Supervisor
15 shall not remove said member from the board, but if such appointment shall vacate the office of
16 Chairman, the Board of Aldermen of the City of Sanford shall designate another board member
17 to serve as Chairman.

18 The designation of particular persons for particular terms by the Board of Aldermen of the
19 City of Sanford heretofore made is ratified and confirmed.

20 ~~"Sec. 9. Out of the gross profits derived from the operation of said Alcoholic Beverage~~
21 ~~Control Stores and after the payment of all costs and operating expenses, and after obtaining~~
22 ~~sufficient and proper working capital, the amount thereof to be determined by the City of Sanford~~
23 ~~Board of Alcoholic Beverage Control, said Board shall expend an amount for law enforcement~~
24 ~~purposes of not less than five per cent (5%) nor more than ten per cent (10%) thereof to be~~
25 ~~determined by quarterly audits, which amount shall supplement and not supplant the amount~~
26 ~~usually budgeted for such purposes by the City of Sanford.~~

27 Before making any other distribution, the City of Sanford Board of Alcoholic Control shall
28 pay, from its gross proceeds, all costs and expenses incurred for education and law enforcement
29 purposes required by G.S. 18B-805(b) and (c).

30 The Board may contract with any law enforcement agency located within the jurisdiction of
31 Lee County for the provision of law enforcement services related to the enforcement of the
32 alcoholic beverage laws of this State within the Board's jurisdiction. Any contract entered into
33 pursuant to this section shall be approved by the Board and shall set forth the scope of services,
34 compensation, and terms of engagement.

35 ~~In the expenditure of said funds, the City Board of Alcoholic Control shall~~ The Board may
36 also employ one or more persons as law enforcement officer ~~or~~ officers to be appointed by and
37 directly responsible to the said Board. The person or persons so appointed shall, after taking the
38 oath prescribed by law for peace officers, have the same powers and authorities within Lee
39 County as other peace officers. Any such person or persons so appointed, or any other peace
40 officer while in hot pursuit of anyone found to be violating the ~~prohibition alcohol~~ laws of this
41 State, shall have the right to go into any other county of the State and arrest such defendant
42 therein so long as such hot pursuit of such person shall continue, and the common law of hot
43 pursuit shall be applicable to said offenses and such officer or officers. Any law enforcement
44 officer appointed by the said Board of Alcoholic Control and any other peace officer is hereby
45 authorized, upon request of the sheriff or other lawful officer in any other county, to go into such
46 other county and assist in suppressing a violation of the ~~prohibition alcohol~~ laws therein, and
47 while so acting shall have such powers as a peace officer as are granted to him in Lee County
48 and be entitled to all the protection provided for said officer while acting in his own County.

49 ~~Out of the net profits derived from the operation of said Alcoholic Beverage Control Stores,~~
50 ~~the City of Sanford Board of Alcoholic Beverage Control shall on a quarterly basis pay over~~
51 ~~equal amounts to the general fund of the City of Sanford and to the general fund of Lee County.~~

1 The Board shall at all times maintain a sustainable operating budget. The Board's
2 unencumbered operating reserve shall not fall below fifteen percent (15%) of the Board's total
3 annual operating budget. In any quarter in which a distribution of this section would cause the
4 Board's operating reserve to fall below the minimum required by this section, the Board shall
5 first retain from net proceeds an amount sufficient to restore the operating reserve to the required
6 minimum before making any other distributions.

7 After paying all costs, operating expenses, and education and enforcement expenditures, and
8 satisfying the operating reserve requirement, the Board shall distribute the remaining net
9 proceeds on a quarterly basis as follows: (i) thirty percent (30%) to the general fund of Lee
10 County; (ii) thirty percent (30%) to the general fund of the City of Sanford; and (iii) forty percent
11 (40%) to be retained by the Board for day-to-day operating expenses, capital needs, and other
12 lawful purposes of the Board.

13 Any amounts which may be due the City of Sanford by way of distribution from taxes
14 collected by the State of North Carolina by reason of the sales of wine or beer sold under the
15 terms of this Act, instead of being paid entirely to the City of Sanford, shall be distributed as
16 follows: One-half to the general fund of the City of Sanford and one-half to the general fund of
17 Lee County.

18 "

19

20 **PART V. RAFFLES**

21

22 **REVISE LAW GOVERNING RAFFLES**

23 **SECTION 37.(a)** G.S. 14-309.15 reads as rewritten:

24 **"§ 14-309.15. Raffles.**

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

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

- 41 (1) 50/50 raffle. – A raffle conducted by a nonprofit organization or any
42 government entity within the State whereby funds collected by sale of raffle
43 tickets are split evenly between the prize winner or winners and the nonprofit
44 organization or government entity after the raffle drawing.
- 45 (2) Candidate. – As defined in Article 22A of Chapter 163 of the General Statutes.
46 This term only includes candidates who have filed organization reports under
47 that Article and who are in good standing with the appropriate board of
48 elections.
- 49 (3) Net proceeds of a raffle. – The receipts less the cost of prizes awarded.
- 50 (4) Political committee. – As defined in Article 22A of Chapter 163 of the General
51 Statutes. This term only includes political committees that have filed

1 organization reports under that Article and that are in good standing with the
2 appropriate board of elections.

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

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

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

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

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

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

26 (h) Notwithstanding any other subsection of this section, it is lawful for a federally
27 insured depository institution to conduct a savings promotion raffle under G.S. 53C-6-20,
28 54-109.64, 54B-140, or 54C-180.

29 (i) The restrictions set forth in subsections (c) through (g) of this section do not apply to
30 50/50 raffles conducted by nonprofit organizations or government entities within the State."

31 **SECTION 37.(b)** This section becomes effective December 1, 2026, and applies to
32 offenses committed on or after that date.

33 **PART VI. SEVERABILITY CLAUSE AND EFFECTIVE DATE**

34 **SECTION 38.(a)** If any provision of this act or the application thereof to any person
35 or circumstances is held invalid, such invalidity shall not affect other provisions or applications
36 of this act that can be given effect without the invalid provision or application and, to this end,
37 the provisions of this act are declared to be severable.

38 **SECTION 38.(b)** Except as otherwise provided, this act is effective when it becomes
39 law.
40