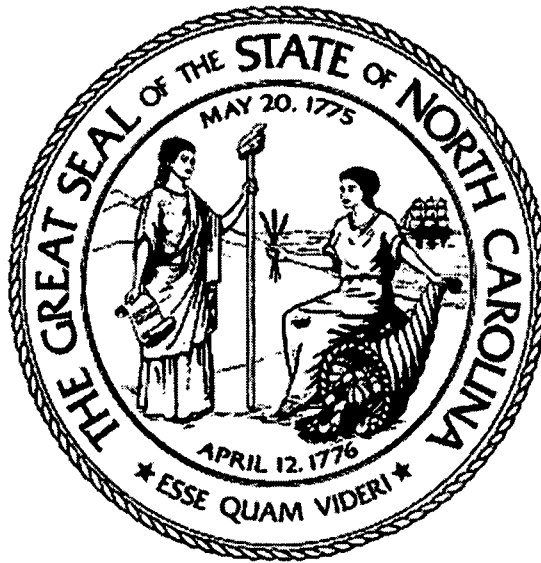


2003-2004

**HOUSE
ALCOHOLIC BEVERAGE
CONTROL**

**COMMITTEE
MINUTES**

NORTH CAROLINA GENERAL ASSEMBLY



NC HOUSE OF REPRESENTATIVES ALCOHOLIC BEVERAGE CONTROL COMMITTEE

2003 SESSION

REPRESENTATIVE JOHN DOUGLAS HALL, CHAIR
REPRESENTATIVE KAREN RAY, VICE-CHAIR
Delta F. Prince, Legislative Assistant

NORTH CAROLINA GENERAL ASSEMBLY

ALCOHOLIC BEVERAGE CONTROL 2003–2004 SESSION



Rep. John Hall

Chair



Rep. Karen Ray

Vice-Chair



Rep. Rex Baker

Member



Rep. Pryor Gibson

Member



Rep. Marvin Lucas

Member



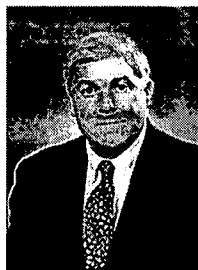
Rep. Tim Moore

Member



Rep. Brubaker

Ex-officio



Rep. Culpepper

Ex-officio



Rep. Cunningham

Ex-officio



Rep. Eddins

Ex-officio

NORTH CAROLINA HOUSE OF REPRESENTATIVES

ALCOHOLIC BEVERAGE CONTROL

2003-2004 SESSION

<u>MEMBER</u>	<u>ASSISTANT</u>	<u>PHONE</u>	<u>OFFICE</u>	<u>SEAT</u>
Hall, John, Chair	Delta Prince Committee Assistant	733-5878	611-LOB	60
Ray, Karen, Vice-Chair	Susan Brothers	733-5741	1315-LB	75
Baker, Rex	Anne Misenheimer	733-5787	302C-LOB	49
Gibson, Pryor	Shirlyn MacPherson	715-3007	419A-LOB	108
Lucas, Marvin	Thelma Utley	733-5775	1323-LB	82
Moore, Tim	Nancy Garriss	733-4838	502-LOB	53

Ex-Officio Members:

Brubaker, Harold	Cindy Coley	715-4946	1229-LB	02
Culpepper, Bill	Dot Crocker	715-3028	404-LOB	36
Cunningham, Pete	Valerie Rustin	733-5778	541-LOB	07
Eddins, Rick	Dorie Monroe	733-5828	1002-LB	26

Brenda Carter, Research Division Staff
Susan Sitze, Research Division Staff

733-2578 Suite 201-LOB
733-2578 Suite 201-LOB

[illegible]

ALCOHOLIC BEVERAGE CONTROL COMMITTEE

April 15, 2003
Room 415, LOB
1:00 pm

AGENDA

OPENING REMARKS

Representative John Hall, Chair

AGENDA ITEMS

- | | |
|---------------|---------------------------------------------------------------------------------------------|
| HB 16 | ABC PERMITS IN STATE DEVELOPMENT ZONES
Representative Paul Miller, Sponsor |
| HB 187 | NORWOOD/ALBEMARLE ABC DISTRIBUTION
Representatives Wayne Goodwin and Bobby Barbee |
| HB 900 | RESTAURANT ABC PERMITS
Representatives Pryor Gibson and Danny McComas |
| SB 294 | CRAVEN COUNTY ABC LAW ENFORCEMENT
Senator Scott Thomas |

VISITOR REGISTRATION SHEET

ALCOHOLIC BEVERAGE CONTROL

Name of Committee

4/15/03 1:00pm

Date/Time

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

[illegible]

MINUTES

ALCOHOLIC BEVERAGE CONTROL COMMITTEE

Tuesday, April 15, 2003
Legislative Office Building, Room 415
Raleigh, North Carolina

The Alcoholic Beverage Control (ABC) Committee met at the Legislative Office Building in Room 415 on Tuesday, April 15, 2003, at 1:00 pm.

The following members were in attendance: Representatives John Hall (Chair), Karen Ray (Vice-Chair), Rex Baker, Pryor Gibson, Marvin Lucas, and Tim Moore. Research Division staff Brenda Carter and Susan Sitze were also present.

Representative Hall called the meeting to order and introduced the House Sergeant-at-Arms William Sullivan and Jim Womack, House Pages Elizabeth Coughenourr (Cumberland County) and Street Jones (Wake County), and NC ABC Commission Chair, Ann Fulton.

HB 187, Norwood/Albemarle ABC Distribution was sponsored by Representatives Wayne Goodwin and Bobby Barbee. This bill repeals local acts providing for the distribution of proceeds from the sale of alcoholic beverages in the Town of Norwood and the City of Albemarle. After a brief discussion by the Committee, Representative Marvin Lucas made a motion to give the bill a favorable report, which was, in turn, approved by the Committee. A copy of the original bill and other related documents are attached and made a part of these minutes.

SB 294, Craven County ABC Law Enforcement was sponsored by Senator Scott Thomas. This bill would allow the Craven County ABC Board to contract for ABC law enforcement in addition to providing its own ABC enforcement officers. After a brief discussion by the Committee, Representative Pryor made a motion to give the bill a favorable report, which was, in turn, approved by the Committee. A copy of the original bill and other related documents are attached and made a part of these minutes.

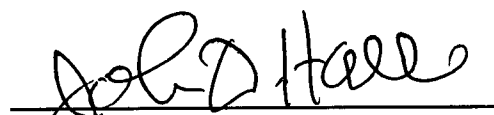
HB 16, ABC Permits in State Development Zones was sponsored by Representative Paul Miller. This bill would provide that food and retail businesses or eating establishments that are located in a designated "development zone" cannot have alcoholic beverage sales in excess of 50% of the establishment's total annual sales. Representative Lucas made a motion to consider a Proposed Committee Substitute (PCS) for HB 16, which the Committee did consider and after hearing from several citizens from Durham, the Committee found the PCS unfavorable. A copy of the original bill, the PCS and other related documents are attached and made a part of these minutes.

HB 900, Restaurant ABC Permits was sponsored by Representatives Pryor Gibson and Danny McComas. This bill amends the definition of "restaurant" for ABC permits to reduce the percentage of gross receipts required from food and non-alcoholic beverages from 40% to 30%.

After a brief discussion, the Committee gave this bill a favorable report. A copy of the original bill and other related documents are attached and made a part of these minutes.

The Visitor Registration sheet is attached and also made a part of these minutes.

The meeting adjourned at 2:00 pm.


Representative John D. Hall
Chairman


Delta F. Prince
Committee Assistant

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

☐ Committee Substitute for

H.B. 187 A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT THE DISTRIBUTION OF THE PROCEEDS FROM THE TOWN OF NORWOOD AND CITY OF ALBEMARLE ABC SYSTEMS SHALL BE IN ACCORDANCE WITH GENERAL LAW.

☒ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐.

☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2003-121
HOUSE BILL 187**

**AN ACT TO PROVIDE THAT THE DISTRIBUTION OF THE PROCEEDS FROM
THE TOWN OF NORWOOD AND CITY OF ALBEMARLE ABC SYSTEMS
SHALL BE IN ACCORDANCE WITH GENERAL LAW.**

The General Assembly of North Carolina enacts:

SECTION 1. Section 5 of Chapter 722 of the 1965 Session Laws, as amended by Chapter 120 of the 1975 Session Laws and Chapter 710 of the 1993 Session Laws, is repealed.

SECTION 2. Paragraph E. of Section 6.1 of the Charter of the City of Albemarle, as amended by Chapter 259 of the 1979 Session Laws and Chapter 379 of the 1993 Session Laws, is repealed.

SECTION 3. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 2nd day of June,
2003.

s/ Beverly E. Perdue
President of the Senate

s/ Richard T. Morgan
Speaker of the House of Representatives

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2003

H

1

HOUSE BILL 187

Short Title: Norwood\Albemarle ABC Distribution.

(Local)

Sponsors: Representatives Goodwin and Barbee (Primary Sponsors).

Referred to: Alcoholic Beverage Control.

March 4, 2003

A BILL TO BE ENTITLED

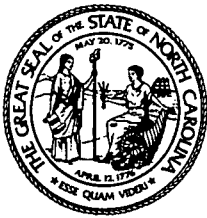
AN ACT TO PROVIDE THAT THE DISTRIBUTION OF THE PROCEEDS FROM
THE TOWN OF NORWOOD AND CITY OF ALBEMARLE ABC SYSTEMS
SHALL BE IN ACCORDANCE WITH GENERAL LAW.

The General Assembly of North Carolina enacts:

SECTION 1. Section 5 of Chapter 722 of the 1965 Session Laws, as
amended by Chapter 120 of the 1975 Session Laws and Chapter 710 of the 1993
Session Laws, is repealed.

SECTION 2. Paragraph E. of Section 6.1 of the Charter of the City of
Albemarle, as amended by Chapter 259 of the 1979 Session Laws and Chapter 379 of
the 1993 Session Laws, is repealed.

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



HOUSE BILL 187: Norwood\Albemarle ABC Distribution

BILL ANALYSIS

Committee: House ABC
Date: April 15, 2003
Version: 1st Edition

Introduced by: Reps. Goodwin & Barbee
Summary by: Brenda J. Carter
Committee Counsel

SUMMARY: *House Bill 187 repeals local acts providing for the distribution of proceeds from the sale of alcoholic beverages in the Town of Norwood and the City of Albemarle.*

CURRENT LAW: G.S. 18B-805 provides for the distribution of local ABC board revenue. Before making any other distribution, a local board must first pay expenses, including salaries, of operating the local ABC system. The statute provides for the payment of taxes due the Department of Revenue and provides for distributions to the Department of Health and Human Services and the local board of county commissioners to fund activities related to the research, education, and treatment of alcoholism or substance abuse. Additional provisions provide for the funding of law enforcement and working capital to operate the ABC system. After making the specified distributions the local board pays, on a quarterly basis, the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law.

BILL ANALYSIS: House Bill 187 repeals local acts providing for the distribution of proceeds from the sale of alcoholic beverages in the Town of Norwood and the City of Albemarle. With the repeal of these provisions, the distributions of ABC revenue will be in accordance with the provisions of G.S. 18B-805.

The act would be effective when it becomes law.

H187-SMRV-001

HOUSE BILL 187

Page 2

Legislation to be Repealed by House Bill 187

Section 1 of the bill repeals Chapter 710 of the 1993 Session Laws - AN ACT TO MODIFY THE DISTRIBUTION OF THE PROFITS FROM THE ALCOHOLIC BEVERAGE CONTROL SYSTEM IN THE TOWN OF NORWOOD.

Section 1. Section 5 of Chapter 722 of the 1965 Session Laws as amended by Chapter 120 of the 1975 Session Laws reads as rewritten:

"Sec. 5. The Board of Alcoholic Control shall pay, quarterly, to the Town of Norwood not less than five percent (5%) and not more than fifteen percent (15%) of the gross profits from the sale of alcoholic beverages, and the Town of Norwood shall expend such funds for law enforcement purposes. Out of net revenue, up to five ~~per cent~~ percent (5%) may be expended for Alcoholic Education as to the effects of the use of Alcoholic Beverages. Out of the net revenue remaining after the payment of all costs and operating expenses and after retaining a sufficient working capital, the Town of Norwood Board of Alcohol Control shall on a quarterly basis pay ~~fifty per cent (50%)~~ eighty-five percent (85%) of the net revenue to the general fund of the Town of ~~Norwood, Norwood, of which thirty-five percent (35%) shall be used for Economic Development, and fifty per cent (50%)~~ fifteen percent (15%) of the net revenue to the general fund of Stanly County; ~~provided, if Alcohol Control Stores are established in the City of Albemarle then net proceeds shall be divided as follows: The Town of Norwood Board of Alcohol shall on a quarterly basis pay over eighty-five per cent (85%) of said net revenue to the general fund of the Town of Norwood and fifteen per cent (15%) of the net revenue to the general fund of Stanly County.~~"

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1994.

Section 2 of the bill repeals Chapter 379 of the 1993 Session Laws - AN ACT TO AMEND THE CHARTER OF THE CITY OF ALBEMARLE WITH RESPECT TO THE DISTRIBUTION OF THE NET PROCEEDS FROM THE OPERATION OF ALCOHOLIC BEVERAGE CONTROL STORES.

Section 1. Paragraph E. of Section 6.1 of the Charter of the City of Albemarle as amended by Section 1 of Chapter 259 of the 1979 Session Laws is further amended to read:

"E. Out of the net revenue remaining after the payment of all costs and operating expenses, and after retaining a sufficient working capital, the City of Albemarle Board of Alcoholic Control shall:

- (1) expend ten percent (10%) for law enforcement purposes;
- (2) expend ten percent (10%) for rehabilitation;
- (3) expend twenty-five percent (25%) for the public schools;
- (4) pay over, on a quarterly basis, fifteen percent (15%) to the general fund of Stanly County;
- (5) pay over, on a quarterly basis, twenty-five percent (25%) to the general fund of the City of Albemarle for capital improvements; and
- (6) pay over, on a quarterly basis, fifteen percent (15%) to the general fund of the City of Albemarle to promote tourism and economic development."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 18th day of July, 1993.

Relevant provision of current law:

§ 18B-805. Distribution of revenue.

(a) Gross Receipts. – As used in this section, "gross receipts" means all revenue of a local board, including proceeds from the sale of alcoholic beverages, investments, interest on deposits, and any other source.

(b) Primary Distribution. – Before making any other distribution, a local board shall first pay the following from its gross receipts:

- (1) The board shall pay the expenses, including salaries, of operating the local ABC system.
- (2) Each month the local board shall pay to the Department of Revenue the taxes due the Department. In addition to the taxes levied under Chapter 105 of the General Statutes, the local board shall pay to the Department one-half of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9).
- (3) Each month the local board shall pay to the Department of Health and Human Services five percent (5%) of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9). The Department of Health and Human Services shall spend those funds for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse.
- (4) Each month the local board shall pay to the county commissioners of the county where the charge is collected the proceeds from the bottle charge required by G.S. 18B-804(b)(6), to be spent by the county commissioners for the purposes stated in subsection (h) of this section.

(c) Other Statutory Distributions. – After making the distributions required by subsection (b), a local board shall make the following quarterly distributions from the remaining gross receipts:

- (1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 1/2%) markup provided for in G.S. 18B-804(b)(5) and the bottle charge provided for in G.S. 18B-804(b)(6b), to be distributed as part of the remaining gross receipts under subsection (e) of this section.
- (2) The local board shall spend for law enforcement an amount set by the board which shall be at least five percent (5%) of the gross receipts remaining after the distribution required by subdivision (1). The local board may contract with the ALE Division to provide the law enforcement required by this subdivision. Notwithstanding the provisions of any local act, this provision shall apply to all local boards.
- (3) The local board shall spend, or pay to the county commissioners to spend, for the purposes stated in subsection (h), an amount set by the board which shall be at least seven percent (7%) of the gross receipts remaining after the distribution required by subdivision (1). This provision shall not be applicable to a local board which is subject to a local act setting a different distribution.

(d) Working Capital. – After making the distributions provided for in subsections (b) and (c), the local board may set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system. With the approval of the appointing authority for the board, the local board may also set aside a portion of the remaining gross receipts as a fund for specific capital improvements.

(e) Other Distributions. – After making the distributions provided in subsections (b), (c), and (d), the local board shall pay each quarter the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law. If the governing body of each city and county receiving revenue from an ABC system agrees, those governing bodies may alter at any time the distribution to be made under this subsection or under any local act. Copies of the governing body resolutions agreeing to a new distribution formula and a copy of the approved new distribution formula shall be submitted to the Commission for review and audit purposes. If any one of the governing bodies later withdraws its consent to the change in distribution, profits shall be distributed according to the original formula, beginning with the next quarter.

HOUSE BILL 187

Page 4

(f) **Surcharge Profit Shared.** – When, pursuant to G.S. 18B-603(d1), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located outside the city, the local board operating the store at which the sale is made shall retain seventy-five percent (75%) of the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) and the remaining twenty-five percent (25%) shall be divided equally among the local ABC boards for all other cities in the county that have authorized the sale of mixed beverages.

When, pursuant to G.S. 18B-603(e), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located at an airport outside the city, the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) shall be divided equally among the local ABC boards for all cities in the county that have authorized the sale of mixed beverages.

(g) **Quarterly Distributions.** – When this section requires a distribution to be made quarterly, at least ninety percent (90%) of the estimated distribution shall be paid to the recipient by the local board within 30 days of the end of that quarter. Adjustments in the amount to be distributed resulting from the closing of the books and from audit shall be made with the next quarterly payment.

(h) **Expenditure of Alcoholism Funds.** – Funds distributed under subdivisions (b)(4) and (c)(3) of this section shall be spent for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse. The minutes of the board of county commissioners or local board spending funds allocated under this subsection shall describe the activity for which the funds are to be spent. Any agency or person receiving funds from the county commissioners or local board under this subsection shall submit an annual report to the board of county commissioners or local board from which funds were received, describing how the funds were spent.

(i) **Calculation of Statutory Distributions When Liquor Sold at Less Than Uniform Price.** – If a local board sells liquor at less than the uniform State price, distributions required by subsections (b) and (c) shall be calculated as though the liquor was sold at the uniform price.

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

- ☐ Committee Substitute for
S.B. 294 A BILL TO BE ENTITLED AN ACT TO ALLOW THE CRAVEN COUNTY
ALCOHOLIC BEVERAGE CONTROL BOARD TO PROVIDE ITS OWN LAW
ENFORCEMENT PERSONNEL AND TO CONTRACT FOR ADDITIONAL LAW
ENFORCEMENT SERVICES.
- ☒ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on
Appropriations ☐ Finance ☐ .
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the
Committee on Appropriations ☐ Finance ☐ .
- ☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the
title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and
recommendation that the committee substitute bill #) be re-referred to the Committee
on .)
- ☐ With a favorable report as to House committee substitute bill (#), ☐ which changes
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2003-20
SENATE BILL 294**

AN ACT TO ALLOW THE CRAVEN COUNTY ALCOHOLIC BEVERAGE
CONTROL BOARD TO PROVIDE ITS OWN LAW ENFORCEMENT
PERSONNEL AND TO CONTRACT FOR ADDITIONAL LAW
ENFORCEMENT SERVICES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-501(f) reads as rewritten:

"(f) Contracts with Other Agencies. – Instead of, or in addition to, hiring local ABC officers, a local board may contract to pay its enforcement funds to with a sheriff's department, city police department, or other local law-enforcement agency for enforcement of the ABC laws within the law-enforcement agency's territorial jurisdiction. Enforcement agreements may be made with more than one agency at the same time. When such a contract for enforcement exists, ~~the~~ those officers of the contracting law-enforcement agency designated in the contract shall have the same authority to inspect under G.S. 18B-502 that an ABC officer employed by that local board would have. have once the designated officers of the contracting law enforcement agency have been certified by the chief ABC officer as having been trained. In order to be certified, the designated officers shall receive the same training in the enforcement of ABC laws as is provided to local ABC officers. If a city located in two or more counties approves the sale of some type of alcoholic beverage pursuant to the provisions of G.S. 18B-600(e4), and there are no local ABC boards established in the city and one of the counties in which the city is located, the local ABC board of any county in which the city is located may enter into an enforcement agreement with the city's police department for enforcement of the ABC laws within the entire city, including that portion of the city located in the county of the ABC board entering into the enforcement agreement. The local ABC board, upon 20 days' written notice, may cancel enforcement agreements authorized by this subsection.

Payments, if any, received by a contracting agency for furnishing law enforcement services shall be in addition to any profits allocated to local governments derived from the sale of alcoholic beverages."

SECTION 2. This act applies to the Craven County Alcoholic Beverage Control Board only.

SECTION 3. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 23rd day of
April, 2003.

s/ Beverly E. Perdue
President of the Senate

s/ Richard T. Morgan
Speaker of the House of Representatives

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

S

1

SENATE BILL 294

Short Title: Craven County ABC Law Enforcement. (Local)

Sponsors: Senator Thomas.

Referred to: State Government, Local Government and Veterans' Affairs.

March 5, 2003

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE CRAVEN COUNTY ALCOHOLIC BEVERAGE
CONTROL BOARD TO PROVIDE ITS OWN LAW ENFORCEMENT
PERSONNEL AND TO CONTRACT FOR ADDITIONAL LAW
ENFORCEMENT SERVICES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-501(f) reads as rewritten:

"(f) Contracts with Other Agencies. – Instead of ~~of~~, or in addition to, hiring local ABC officers, a local board may contract ~~to pay its enforcement funds to~~ with a sheriff's department, city police department, or other local law-enforcement agency for enforcement of the ABC laws within the law-enforcement agency's territorial jurisdiction. Enforcement agreements may be made with more than one agency at the same time. When ~~such~~ a contract for enforcement exists, ~~the~~ those officers of the contracting law-enforcement agency designated in the contract shall have the same authority to inspect under G.S. 18B-502 that an ABC officer employed by that local board would ~~have~~ have once the designated officers of the contracting law enforcement agency have been certified by the chief ABC officer as having been trained. In order to be certified, the designated officers shall receive the same training in the enforcement of ABC laws as is provided to local ABC officers. If a city located in two or more counties approves the sale of some type of alcoholic beverage pursuant to the provisions of G.S. 18B-600(e4), and there are no local ABC boards established in the city and one of the counties in which the city is located, the local ABC board of any county in which the city is located may enter into an enforcement agreement with the city's police department for enforcement of the ABC laws within the entire city, including that portion of the city located in the county of the ABC board entering into the enforcement agreement. The local ABC board, upon 20 days' written notice, may cancel enforcement agreements authorized by this subsection.

1 Payments, if any, received by a contracting agency for furnishing law enforcement
2 services shall be in addition to any profits allocated to local governments derived from
3 the sale of alcoholic beverages."

4 **SECTION 2.** This act applies to the Craven County Alcoholic Beverage
5 Control Board only.

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



SB 294: Craven County ABC Law Enforcement

BILL ANALYSIS

Committee: House Alcoholic Beverage
Control
Date: April 15, 2003
Version: 1st Edition

Introduced by: Senator Thomas
Summary by: Barbara Riley, Staff Attorney
Susan L. Sitze
Committee Counsel

SUMMARY:

Senate Bill 294 allows the Craven County ABC board to contract for ABC law enforcement in addition to providing its own ABC enforcement officers.

CURRENT LAW:

G.S. 18B-501 provides that a local ABC board shall hire one or more ABC enforcement officers unless it contracts with a sheriff's department, city police department, or other local law enforcement agency for the enforcement of the ABC laws within the jurisdiction of the local law enforcement agency.

BILL ANALYSIS:

Senate Bill 294 permits the Craven County ABC board to contract for ABC enforcement from other law enforcement agencies *in addition to* hiring its own ABC enforcement officers. The officers of the contracting agency who will serve as ABC enforcement shall be designated in the contract. These officers must be certified as being trained in the enforcement of the ABC laws before they are authorized to inspect licensed premises. To be certified, the officers are to receive the same training in the enforcement of ABC laws as provided to local ABC enforcement officers. The bill also provides that any payments received by the contracting law enforcement agency will be in addition to any profits allocated to local governments from the sale of alcohol.

BACKGROUND:

This same authority was granted to Mecklenburg County in 1997. S.L. 1997-224

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 16

Short Title: ABC Permits in State Development Zones.

(Public)

Sponsors: Representatives Miller; Capps and Cole.

Referred to: Alcoholic Beverage Control.

February 13, 2003

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT FOOD OR RETAIL BUSINESSES THAT HOLD
ABC PERMITS AND ARE LOCATED IN A STATE DEVELOPMENT ZONE
SHALL NOT HAVE ALCOHOLIC BEVERAGE SALES IN EXCESS OF FIFTY
PERCENT OF THE BUSINESS'S TOTAL ANNUAL SALES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-309(a) reads as rewritten:

"(a) A food business as defined in G.S. 18B-1000(3), a retail business as defined in G.S. 18B-1000(7), or an eating establishment as defined in G.S. 18B-1000(2) that holds an ABC permit under this Chapter and is located in a part of a city that has been designated as an Urban Redevelopment Area under Article 22 of Chapter 160A of the General Statutes or a development zone as defined in G.S. 105-129.2(7) shall not have alcoholic beverage sales in excess of fifty percent (50%) of the business's total annual sales. The city council, or its designee, shall file a certified copy of the official action and original documents, including a map or similar information, designating the area as an Urban Redevelopment Area. The Commission shall make this information available to any permittee who makes a request for this information to the Commission."

SECTION 2. This act becomes effective October 1, 2003.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

HOUSE BILL 16

1

Short Title: ABC Permits in State Development Zones.

(Public)

Sponsors: Representatives Miller; Capps and Cole.

Referred to: Alcoholic Beverage Control.

February 13, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THAT FOOD OR RETAIL BUSINESSES THAT HOLD
3 ABC PERMITS AND ARE LOCATED IN A STATE DEVELOPMENT ZONE
4 SHALL NOT HAVE ALCOHOLIC BEVERAGE SALES IN EXCESS OF FIFTY
5 PERCENT OF THE BUSINESS'S TOTAL ANNUAL SALES.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 18B-309(a) reads as rewritten:

8 "(a) A food business as defined in G.S. 18B-1000(3), a retail business as defined
9 in G.S. 18B-1000(7), or an eating establishment as defined in G.S. 18B-1000(2) that
10 holds an ABC permit under this Chapter and is located in a part of a city that has been
11 designated as an Urban Redevelopment Area under Article 22 of Chapter 160A of the
12 General Statutes or a development zone as defined in G.S. 105-129.2(7) shall not have
13 alcoholic beverage sales in excess of fifty percent (50%) of the business's total annual
14 sales. The city council, or its designee, shall file a certified copy of the official action
15 and original documents, including a map or similar information, designating the area as
16 an Urban Redevelopment Area. The Commission shall make this information available
17 to any permittee who makes a request for this information to the Commission."

18 SECTION 2. This act becomes effective October 1, 2003.

ABC PERMITS IN ECONOMIC DEVELOPMENT ZONES

Representative Paul Miller

The Background

Many cities in North Carolina are attempting to redevelop blighted areas within their city limits in order to provide safe, livable conditions for their residents. One of the obstacles to their efforts to redevelop includes the sale of alcohol within these blighted areas.

In response to the needs of these cities, **the 1999 General Assembly instituted new rules for selling alcohol in the thirteen areas designated as Urban Redevelopment Zones in North Carolina.** Under the 1999 law, a merchant located in an urban redevelopment zone **may not have more than fifty percent of their store's sales from alcohol.** The merchant must also maintain on-site full and accurate monthly records showing: **1) the amount of alcohol purchased and sold and 2) the amount of non-alcohol items sold.** If the merchant derives more than fifty percent of their sales from alcohol or fails to maintain these records their **alcohol permit is revoked** by the ABC Commission.

The Problem

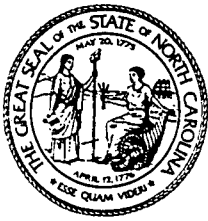
This legislation would **expand** the authority held by those 13 cities containing urban redevelopment zones to areas in **an additional 60 cities** across the state that have been designated by the Department of Commerce as economic development zones. This legislation would impose an **excessive burden on all merchants** who sell alcohol in these 60 economic development zones to keep additional records of all their sales when most of their alcohol sales do not even approach the fifty-percent threshold.

The Solution

The alcohol laws pertaining specifically to Urban Redevelopment Zones should be enforced to clean-up blighted areas of our state rather than expanding these laws to 60 additional areas of the state creating a patchwork of alcohol laws.

60 Designated State Development Zones

Albemarle	Kinston
Asheboro	Laurinburg
Asheville	Lenoir
Bessemer City	Lexington
Boone	Lincolnton
Brevard	Lumberton
Burlington	Marion
Charlotte	Monroe
Clayton	Mooresville
Clinton	Morehead City
Concord	New Bern
Dunn	Oxford
Durham	Raleigh
Eden	Reidsville
Edenton	Roanoke Rapids
Elizabeth City	Rockingham
Fayetteville	Rocky Mount
Forest City	Salisbury
Gastonia	Sanford
Goldsboro	Shelby
Greensboro	Smithfield
Greenville	Statesville
Hamlet	Thomasville
Henderson	Washington
Hendersonville	Waynesville
Hickory	Whiteville
High Point	Williamston
Jacksonville	Wilmington
Kannapolis	Wilson
Kings Mountain	Winston-Salem



HOUSE BILL 16: ABC Permits in State Development Zones

BILL ANALYSIS

Committee: House ABC
Date: April 14, 2003
Version: 1st Edition

Introduced by: Rep. Miller
Summary by: Brenda J. Carter
Committee Counsel

SUMMARY: *House Bill 16 would provide that food and retail businesses or eating establishments that are located in a designated "development zone" cannot have alcoholic beverage sales in excess of 50% of the establishment's total annual sales.*

CURRENT LAW: G.S. 18B-309 provides that food and retail businesses or eating establishments that are located in a designated "Urban Redevelopment Area" cannot have alcoholic beverage sales in excess of 50% of their total annual sales, and sets out the procedure for record-keeping and for investigations. A "redevelopment area" is generally an area that a planning commission has found to be blighted because of conditions including deterioration, high density of population, conditions that endanger life or property, or any combination of factors detrimental to the public health, safety, or welfare, etc. The term also includes nonresidential redevelopment areas or rehabilitation and reconditioning areas. A city must file with the ABC Commission a certified copy of information designating an Urban Redevelopment Area, including maps that can be made available to any ABC permittee who requests it.

G.S. 18B-904(e) requires the ABC Commission to suspend or revoke the ABC license of a business that violates G.S. 18B-309. The ABC Commission may summarily suspend or revoke without prior hearing the permit of an establishment that fails to adhere to the record-keeping requirements applicable to permittees located in Urban Redevelopment Areas. The summary suspension/revocation may occur only if the city has filed the required information designating the location of the Urban Redevelopment Area, and has notified permittees located in the Area of the applicability of the sales restrictions. The permittee may make written request for a hearing on the suspension/revocation, and hearings will be held in compliance with applicable provisions of the Administrative Procedure Act.

BILL ANALYSIS: House Bill 16 would provide that food and retail businesses or eating establishments that are located in a designated "development zone" cannot have alcoholic beverage sales in excess of 50% of the establishment's total annual sales. A "development zone" is an area that meets all of the conditions set out in G.S. 105-129.3A. The zone is comprised of one or more contiguous census tracts or census block groups, and every census tract or block group within the zone must be located in whole or in part within the primary corporate limits of a city with a population of more than 5,000. The zone itself must have a population of 1,000 or more. These population thresholds will be measured according to the most recent annual population estimates certified by the State Planning Officer. In order for an area to qualify as a development zone, more than twenty percent (20%) of its population must be below the poverty level according to the most recent federal decennial census, and every census tract and census block group in the zone must have more than ten percent (10%) of its population below the poverty level or be immediately adjacent to another census tract or census block group that is in the same zone and has more than twenty percent (20%) of its population below the poverty level. Development zones are designated by the Secretary of Commerce, upon request of a taxpayer or a local government. The Secretary publishes an annual list of development zones with a list of their boundaries.

HOUSE BILL 16

Page 2

If establishments in development zones are to be subject to the same procedures applicable to establishments in Urban Redevelopment Areas, then the bill should be rewritten to make that clear. As the bill is currently written, there is no requirement that the city provide the ABC Commission with information designating an area as a development zone, or that permittees located within the zone be provided with maps or other information regarding the zone. There is also no provision for the immediate suspension or revocation without prior hearing of the permit of an establishment that fails to adhere to the record-keeping requirements now made applicable to permittees located in development zones.

The bill would become effective October 1, 2003.

H16-SMRV-001

HOUSE BILL 16

Page 3

§ 105-129.3A. Development zone designation.

(a) Development Zone Defined. - A development zone is an area comprised of one or more contiguous census tracts, census block groups, or both in the most recent federal decennial census that meets all of the following conditions:

- (1) Every census tract and census block group in the zone is located in whole or in part within the primary corporate limits of a city with a population of more than 5,000 according to the most recent annual population estimates certified by the State Planning Officer.
- (2) It has a population of 1,000 or more according to the most recent annual population estimates certified by the State Planning Officer.
- (3) More than twenty percent (20%) of its population is below the poverty level according to the most recent federal decennial census.
- (4) Every census tract and census block group in the zone meets at least one of the following conditions:
 - a. More than ten percent (10%) of its population is below the poverty level according to the most recent federal decennial census.
 - b. It is immediately adjacent to another census tract or census block group that is in the same zone and has more than twenty percent (20%) of its population below the poverty level according to the most recent federal decennial census.
- (5) None of the census tracts or census block groups in the zone is located in another development zone designated by the Secretary of Commerce.

(b) Designation. - Upon request of a taxpayer or a local government, the Secretary of Commerce shall designate whether an area is a development zone that meets the conditions of subsection (a) of this section. If the applicant is a taxpayer, it must notify each city in which part of the zone is located. A development zone designation is effective for 24 months following the designation. The Department of Commerce must publish annually a list of all development zones with a description of their boundaries.

(c) Relationship With Enterprise Tiers. - For the purpose of the wage standard requirement of G.S. 105-129.4, the credit for investing in machinery and equipment allowed in G.S. 105-129.9, and the credit for worker training allowed in G.S. 105-129.11, a development zone is considered an enterprise tier one area. For all other purposes, a development zone has the same enterprise tier designation as the county in which it is located.

(d) Parcel of Property Partially in a Development Zone. - For the purposes of this section, a parcel of property that is located partially within a development zone is considered entirely within the development zone if all of the following conditions are satisfied:

- (1) At least fifty percent (50%) of the parcel is located within the development zone.
- (2) The parcel was in existence and under common ownership prior to the most recent federal decennial census.
- (3) The parcel is a portion of land made up of one or more tracts or tax parcels of land that is surrounded by a continuous perimeter boundary.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

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HOUSE BILL 16
PROPOSED COMMITTEE SUBSTITUTE H16-CSR-V-5 [v.1]

4/14/2003 5:13:08 PM

Short Title: ABC Permits in State Development Zones.

(Public)

Sponsors:

Referred to:

February 13, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THAT FOOD OR RETAIL BUSINESSES THAT HOLD
3 ABC PERMITS AND ARE LOCATED IN A STATE DEVELOPMENT ZONE
4 SHALL NOT HAVE ALCOHOLIC BEVERAGE SALES IN EXCESS OF FIFTY
5 PERCENT OF THE BUSINESS'S TOTAL ANNUAL SALES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 18B-309(a) reads as rewritten:

8 "(a) A food business as defined in G.S. 18B-1000(3), a retail business as defined
9 in G.S. 18B-1000(7), or an eating establishment as defined in G.S. 18B-1000(2) that
10 holds an ABC permit under this Chapter and is located in a part of a city that has been
11 designated as an Urban Redevelopment Area under Article 22 of Chapter 160A of the
12 General Statutes or designated as a development zone pursuant to G.S. 105-129.3A
13 shall not have alcoholic beverage sales in excess of fifty percent (50%) of the business's
14 total annual sales. The city council, or its designee, shall file a certified copy of the
15 official action and original documents, including a map or similar information,
16 designating the area as an Urban Redevelopment Area or a development zone. The
17 Commission shall make this information available to any permittee who makes a
18 request for this information to the Commission."

19 **SECTION 2.** G.S. 18B-904(e) reads as rewritten:

20 "(e) Business or Location No Longer Suitable. -

21 (1) The Commission may suspend or revoke a permit issued by it if, after
22 compliance with the provisions of Chapter 150B of the General
23 Statutes, it finds that the location occupied by the permittee is no
24 longer a suitable place to hold ABC permits or that the operation of the
25 business with an ABC permit at that location is detrimental to the
26 neighborhood. No order revoking or suspending an ABC permit
27 pursuant to this section may be made except upon substantial evidence
28 admissible under G.S. 150B-29(a).

1 (2) The Commission shall suspend or revoke a permit issued by it if a
2 permittee is in violation of G.S. 18B-309. Notwithstanding subdivision
3 (e)(1) of this section, the Commission shall, by order and without prior
4 hearing, summarily suspend or revoke a permit issued by it if a
5 permittee is in violation of G.S. 18B-309(c) when, prior to the period
6 of time for which the audit is to be conducted, the city council has filed
7 information designating the location of the Urban Redevelopment
8 Area or the development zone as required under ~~G.S. 14-309(a)~~ G.S.
9 18B-309(a) and has provided actual notice to permittees located in the
10 Urban Redevelopment Area or the development zone that they are
11 located in such an area and must abide by G.S. 18B-309(c). Upon
12 entry of a summary order under this subdivision, the Commission shall
13 promptly notify all interested parties that the order has been entered
14 and of the reasons therefore. The order will remain in effect until it is
15 modified or vacated by the Commission. The permittee may, within 30
16 days after receipt of notice of the order, make written request to the
17 Commission for a hearing on the matter. If a hearing is requested, after
18 compliance with the provisions of Chapter 150B of the General
19 Statutes, the Commission shall issue an order to affirm, reverse, or
20 modify its previous action."
21

SECTION 3. This act becomes effective October 1, 2003.

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

☐ Committee Substitute for

H.B. 900 A BILL TO BE ENTITLED AN ACT MODIFYING THE DEFINITION OF
"RESTAURANT" FOR ABC PERMITS.

- ☒ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the
Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the
title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and
recommendation that the committee substitute bill #) be re-referred to the Committee
on .)
- ☐ With a favorable report as to House committee substitute bill (#), ☐ which changes
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2003-135
HOUSE BILL 900**

AN ACT MODIFYING THE DEFINITION OF "RESTAURANT" FOR ABC PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-1000 reads as rewritten:

"§ 18B-1000. Definitions concerning establishments.

The following requirements and definitions shall apply to this Chapter:

- (6) Restaurant. – An establishment substantially engaged in the business of preparing and serving meals. To qualify as a restaurant, an establishment's gross receipts from food and nonalcoholic beverages shall be not less than ~~forty percent (40%)~~ thirty percent (30%) of the total gross receipts from food, nonalcoholic beverages, and alcoholic beverages. A restaurant shall also have a kitchen and an inside dining area with seating for at least 36 people."

SECTION 2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 29th day of May, 2003.

s/ Beverly E. Perdue
President of the Senate

s/ Richard T. Morgan
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 11:28 p.m. this 4th day of June, 2003

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 900

Short Title: Restaurant ABC Permits.

(Public)

Sponsors: Representatives Gibson and McComas (Primary Sponsors).

Referred to: Alcoholic Beverage Control.

April 7, 2003

A BILL TO BE ENTITLED

AN ACT MODIFYING THE DEFINITION OF "RESTAURANT" FOR ABC PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-1000 reads as rewritten:

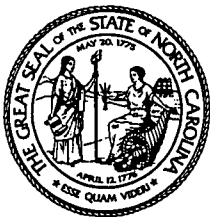
"§ 18B-1000. Definitions concerning establishments.

The following requirements and definitions shall apply to this Chapter:

...

(6) Restaurant. – An establishment substantially engaged in the business of preparing and serving meals. To qualify as a restaurant, an establishment's gross receipts from food and nonalcoholic beverages shall be not less than ~~forty percent (40%)~~ thirty percent (30%) of the total gross receipts from food, nonalcoholic beverages, and alcoholic beverages. A restaurant shall also have a kitchen and an inside dining area with seating for at least 36 people."

SECTION 2. This act is effective when it becomes law.



HOUSE BILL 900: Restaurant ABC Permits

BILL ANALYSIS

Committee: House Alcoholic Beverage
Control

Date: April 15, 2003

Version: 1st Edition

Introduced by: Rep. Gibson and McComas

Summary by: Susan L. Sitze
Committee Counsel

SUMMARY: *House Bill 900 modifies the definition of "restaurant" for ABC permits.*

CURRENT LAW: One of the current requirements to qualify as a "restaurant" under the ABC permitting statutes is to have no less than 40% of the establishment's gross receipts derive from the sale of food and nonalcoholic beverages. Restaurants are also required to have a kitchen and an inside dining area with seating for at least 36 people.

BILL ANALYSIS: House Bill 900 amends the definition of "restaurant" in G.S. 18B-1000 to reduce the percentage of gross receipts required from food and nonalcoholic beverages from 40% to 30%.

The act would be effective when it becomes law.

ALCOHOLIC BEVERAGE CONTROL COMMITTEE

AGENDA

April 29, 2003

OPENING REMARKS

Representative John Hall, Chair

AGENDA ITEMS

- | | |
|---------|-----------------------------------------------------------------------------------------|
| HB 603 | ABC-LOCAL AUTHORITY
Representatives B. Allen, Munford & Stam |
| HB 604 | LOCAL/STATE CONTROL OF ABC REGULATION
Representatives B. Allen, Munford, Ross & Stam |
| HB 920 | ABC AVAILABILITY IN NORTH CAROLINA
Representative Sutton |
| HB 1008 | NEW ABC PERMITS BASED ON EXISTING PERMITS
Representative Gibson |
| HB 1108 | BEER/WINE SHIPPERS PERMITS
Representatives Gibson & Sherrill |
| HB 1118 | DISPLAY FETAL ALCOHOL SYNDROME WARNING SIGNS
Representative Alexander |

VISITOR REGISTRATION SHEET

ALCOHOLIC BEVERAGE CONTROL

4/29/03

Name of Committee

Date/Time

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

<u>NAME</u>	<u>FIRM OR AGENCY AND ADDRESS</u>
Tim Morse	ABC Commission
Ann Fulton - CHAIRMAN	"
Clayton Somers	"
John Kuti	NC Family Policy Council
Ed TURCIAIGTON	Brooks Press
Tommy Williams	NCRA
Carol Hawen	EGHS
Andy Ellen	NRMA
B. J. McMillan	ADC NC
Jon Williams	CCPS
Kim Gibson	NCLM
John J. J. J.	WAC. Carol Hall
Steve Keith	Alcohol/Drug Council of NC
Tom Mulihill	ADNC
Robert O'Boch	ADNC
Rev. MARK CREECH	CAL
Jon Carr	NC Assoc. ABC Boards
Jim McCornick	City of Raleigh
Elizabeth Dalton	Bone & Associates
Clara Spring	College Park/Idemore Community
Allan Russ	
Jim Upchurch	Progen Corp
John McAlister	Duke Energy
Deborah	

MINUTES
ALCOHOLIC BEVERAGE CONTROL COMMITTEE

Tuesday, April 29, 2003
Legislative Office Building, Room 415
Raleigh, North Carolina

The Alcoholic Beverage Control Committee (ABC) met at the Legislative Office Building in Room 415 on Tuesday, April 29, 2003, at 1:00 pm.

The following members were in attendance: Representatives John Hall (Chair), Karen Ray (Vice-Chair), Rex Baker, Pryor Gibson, Marvin Lucas, and Tim Moore. Research Division staff Brenda Carter and Susan Sitze were also present.

Representative Hall called the meeting to order and introduced the House Sergeant-at-Arms, Brian Doherty and Matthew Myers, and House Page, Joe Taylor from Forsyth County.

HB 603, ABC-Local Authority was sponsored by Representatives Bernard Allen, Don Munford, and Paul Stam. This bill would provide for the automatic revocation of ABC permits in the event that a permittee in an Urban Redevelopment Area fails to maintain the required records. Representative Marvin Lucas made a motion to hear the PCS for HB 603. After hearing comments from representatives of the Raleigh community and a lengthy discussion by the Committee, the Committee voted no to HB 603. A copy of the original bill and other related documents are attached and made a part of these minutes.

HB 604, Local/State Control of ABC Regulation was sponsored by Representatives Bernard Allen, Don Munford, Deborah Ross, and Paul Stam. This bill would allow local governments to regulate the location or concentration of ABC permits through city planning and zoning processes. After a brief discussion on the bill by the Committee, a motion was made by Representative Marvin Lucas to vote on the bill. The Committee voted no to HB 604. A copy of the original bill and other related documents are attached and made a part of these minutes.

HB 920, ABC Availability in North Carolina was sponsored by Representative Ron Sutton. This bill would authorize the issuance of ABC permits statewide. After hearing comments from Representative Sutton and members of the Committee, Representative Marvin Lucas made a motion to convert HB 920 into a study bill. The Committee voted yes to a study bill for HB 920. A copy of the original bill is attached and made a part of these minutes.


HB 1008, New ABC Permits Based on Existing Permits was sponsored by Representative Pryor Gibson. This bill would provide equity in the issuance of ABC permits by allowing permits to be issued based on existing permits, but was removed from the calendar by its sponsor.

HB 1108, Beer/Wine Shippers Permits was sponsored by Representatives Pryor Gibson and Wilma Sherrill. This bill would authorize the Alcoholic Beverage Commission to issue wine shippers permits to allow the direct shipment of wines to residents of North Carolina, but was removed from the calendar by its sponsors.

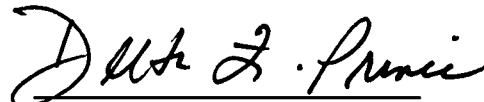
HB 1118, Display Fetal Alcohol Syndrome Warning Signs was sponsored by Representative Martha Alexander. This bill would require all ABC stores to display a sign warning of the possible dangers of consuming alcohol during pregnancy. After a brief discussion on the bill, the Committee voted to give an unfavorable report to the original bill, a favorable report to the PCS as amended and re-referred to the Finance Committee. A copy of the original bill and other related documents are attached and made a part of these minutes.

The Visitor Registration sheet is attached and also made a part of these minutes.

The meeting adjourned at 2:00 pm.



Representative John D. Hall
Chairman



Delta F. Prince
Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2003

H

1

HOUSE BILL 603

Short Title: ABC-Local Authority.

(Public)

Sponsors: Representatives B. Allen, Munford, Stam (Primary Sponsors); Adams, Bonner, Capps, Farmer-Butterfield, Jones, Luebke, McAllister, Miller, Weiss, and Womble.

Referred to: Alcoholic Beverage Control.

March 24, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE ALCOHOLIC BEVERAGE CONTROL LAWS
3 RELATING TO LOCAL AUTHORITY.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 18B-309(c) reads as rewritten:

6 "(c) Businesses covered by this section shall maintain full and accurate monthly
7 records of their finances, separately indicating each of the following:

- 8 (1) Amounts expended by the business for the purchase of alcoholic
9 beverages and the quantity of alcoholic beverages purchased;
10 (2) Amounts collected from the sale of alcoholic beverages sold; and
11 (3) Amounts collected from the sale of food, nonalcoholic beverages, and
12 all other items sold by the business.

13 Records of purchases of alcoholic beverages and sales of alcoholic beverages shall
14 be filed separate and apart from all other records maintained on the premises, and all
15 records related to alcoholic beverages, including original invoices, shall be maintained
16 on the premises for three years and shall be open for inspection and audit pursuant to
17 G.S. 18B-502. Failure to maintain the records concerning malt beverages and
18 unfortified wine in the type and manner prescribed shall result in the automatic
19 revocation of the establishment's permits."

20 SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2003

H

1

HOUSE BILL 603

Short Title: ABC-Local Authority.

(Public)

Sponsors: Representatives B. Allen, Munford, Stam (Primary Sponsors); Adams, Bonner, Capps, Farmer-Butterfield, Jones, Luebke, McAllister, Miller, Weiss, and Womble.

Referred to: Alcoholic Beverage Control.

March 24, 2003

A BILL TO BE ENTITLED

AN ACT TO AMEND THE ALCOHOLIC BEVERAGE CONTROL LAWS
RELATING TO LOCAL AUTHORITY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-309(c) reads as rewritten:

"(c) Businesses covered by this section shall maintain full and accurate monthly records of their finances, separately indicating each of the following:

- (1) Amounts expended by the business for the purchase of alcoholic beverages and the quantity of alcoholic beverages purchased;
- (2) Amounts collected from the sale of alcoholic beverages sold; and
- (3) Amounts collected from the sale of food, nonalcoholic beverages, and all other items sold by the business.

Records of purchases of alcoholic beverages and sales of alcoholic beverages shall be filed separate and apart from all other records maintained on the premises, and all records related to alcoholic beverages, including original invoices, shall be maintained on the premises for three years and shall be open for inspection and audit pursuant to G.S. 18B-502. Failure to maintain the records concerning malt beverages and unfortified wine in the type and manner prescribed shall result in the automatic revocation of the establishment's permits."

SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

D

HOUSE BILL 603
PROPOSED COMMITTEE SUBSTITUTE H603-CSR-V-21 [v.1]

4/29/2003 11:37:47 AM

Short Title: ABC-Local Authority.

(Public)

Sponsors:

Referred to:

March 24, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE ALCOHOLIC BEVERAGE CONTROL LAWS
3 REGARDING THE REVOCATION OF PERMITS IN URBAN
4 REDEVELOPMENT AREAS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 18B-309(c) reads as rewritten:

7 "(c) Businesses covered by this section shall maintain full and accurate monthly
8 records of their finances, separately indicating each of the following:

- 9 (1) Amounts expended by the business for the purchase of alcoholic
10 beverages and the quantity of alcoholic beverages purchased;
11 (2) Amounts collected from the sale of alcoholic beverages sold; and
12 (3) Amounts collected from the sale of food, nonalcoholic beverages, and
13 all other items sold by the business.

14 Records of purchases of alcoholic beverages and sales of alcoholic beverages shall
15 be filed separate and apart from all other records maintained on the premises, and all
16 records related to alcoholic beverages, including original invoices, shall be maintained
17 on the premises for three years and shall be open for inspection and audit pursuant to
18 G.S. 18B-502. Failure to maintain the records concerning malt beverages and
19 unfortified wine in the type and manner prescribed shall result in the automatic
20 revocation of the establishment's permits."

21 **SECTION 2.** G.S. 18B-904(e) reads as rewritten:

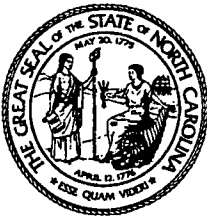
22 "(e) Business or Location No Longer Suitable. –

- 23 (1) The Commission may suspend or revoke a permit issued by it if, after
24 compliance with the provisions of Chapter 150B of the General
25 Statutes, it finds that the location occupied by the permittee is no
26 longer a suitable place to hold ABC permits or that the operation of the
27 business with an ABC permit at that location is detrimental to the
28 neighborhood. No order revoking or suspending an ABC permit

1 pursuant to this section may be made except upon substantial evidence
2 admissible under G.S. 150B-29(a).

- 3 (2) The Commission shall suspend or revoke a permit issued by it if a
4 permittee is in violation of G.S. 18B-309. Notwithstanding subdivision
5 (e)(1) of this section, the Commission shall, by order and without prior
6 hearing, summarily ~~suspend or~~ revoke a permit issued by it if a
7 permittee is in violation of G.S. 18B-309(c) when, prior to the period
8 of time for which the audit is to be conducted, the city council has filed
9 information designating the location of the Urban Redevelopment
10 Area as required under G.S. 14-309(a) and has provided actual notice
11 to permittees located in the Urban Redevelopment Area that they are
12 located in such an area and must abide by G.S. 18B-309(c). Upon
13 entry of a summary order under this subdivision, the Commission shall
14 promptly notify all interested parties that the order has been entered
15 and of the reasons therefore. The order will remain in effect until it is
16 modified or vacated by the Commission. The permittee may, within 30
17 days after receipt of notice of the order, make written request to the
18 Commission for a hearing on the matter. If a hearing is requested, after
19 compliance with the provisions of Chapter 150B of the General
20 Statutes, the Commission shall issue an order to affirm, reverse, or
21 modify its previous action."

22 **SECTION 3.** This act is effective when it becomes law.
23



HOUSE BILL 603: ABC-Local Authority

BILL ANALYSIS

Committee: House ABC
Date: April 29, 2003
Version: H603-CSR-V-21

Introduced by: Rep. Bernard Allen
Summary by: Brenda J. Carter
Committee Counsel

SUMMARY: *House Bill 603 would provide for the automatic revocation of ABC permits in the event that a permittee in an Urban Redevelopment Area fails to maintain the required records.*

CURRENT LAW: G.S. 18B-309 provides that retail businesses, food businesses, and eating establishments located in designated Urban Redevelopment Areas cannot have ABC sales in excess of 50% of the business's total annual sales. Businesses are required to maintain full and accurate records of their finances, indicating amounts expended for the purchase of alcoholic beverages, and amounts collected from the sale of alcoholic beverages and from the sale of food, nonalcoholic beverages, and other items sold by the business. Upon request of a city, the ABC Commission investigates the records and makes a report to the city; a city may request an investigation of a particular business only once in each calendar year.

G.S. 18B-904(e)(2) provides for the suspension or revocation of permits for failure to comply with the requirements of 18B-309. For a violation involving failure to keep the required records, the suspension or revocation occurs without prior notice or hearing, although a hearing may be requested within 30 days after the order of suspension or revocation.

BILL ANALYSIS: House Bill 603 would require the automatic **revocation** of ABC permits for establishments located in Urban Redevelopment Area upon a permittee's failure to maintain required records. Because of requirements in G.S. 18B-900, a revocation would make the permittee ineligible to qualify for the issuance of an ABC permit for a period of 3 years.

The bill would be effective when it becomes law.

H603-SMRV-001

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2003

H

1

HOUSE BILL 604

Short Title: Local/State Control of ABC Regulation. (Public)

Sponsors: Representatives B. Allen, Munford, Ross, Stam (Primary Sponsors);
Adams, Bell, Bonner, Capps, Farmer-Butterfield, Jones, Luebke,
McAllister, Miller, Parmon, and Weiss.

Referred to: Alcoholic Beverage Control.

March 24, 2003.

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE RELATIONSHIP BETWEEN LOCAL AND STATE
CONTROL OF ALCOHOLIC BEVERAGE CONTROL REGULATION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-901 is amended by adding a new subsection to read:

"(e) Local Government Authority. – Nothing in this Chapter preempts or in any way limits the authority of local governments to regulate the location or concentration of permits through normal planning and zoning authority and procedures."

SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 604

Short Title: Local/State Control of ABC Regulation. (Public)

Sponsors: Representatives B. Allen, Munford, Ross, Stam (Primary Sponsors);
Adams, Bell, Bonner, Capps, Farmer-Butterfield, Jones, Luebke,
McAllister, Miller, Parmon, and Weiss.

Referred to: Alcoholic Beverage Control.

March 24, 2003.

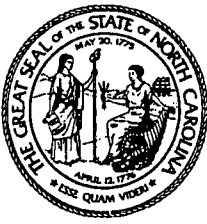
A BILL TO BE ENTITLED
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The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-901 is amended by adding a new subsection to read:

"(e) Local Government Authority. – Nothing in this Chapter preempts or in any way limits the authority of local governments to regulate the location or concentration of permits through normal planning and zoning authority and procedures."

SECTION 2. This act is effective when it becomes law.



HOUSE BILL 604: Local/State Control of ABC Regulation

BILL ANALYSIS

Committee: House ABC
Date: April 29, 2003
Version: 1st Edition

Introduced by: Rep. Bernard Allen
Summary by: Brenda J. Carter
Committee Counsel

SUMMARY: *House Bill 604 would allow local governments to regulate the location or concentration of ABC permits through city planning and zoning processes.*

CURRENT LAW: G.S. 18B-901 sets out the law regarding the issuance of ABC permits. Before issuing a retail ABC permit, the Commission is required to give notice to the governing body of the city in which the establishment is located. The local government is provided 15 days in which to file written objection to the issuance of the permit, providing the facts upon which the objection is based.

G.S. 18B-901 requires the ABC Commission to consider a number of factors before issuing a permit. Among factors the Commission must consider are the number of places already holding ABC permits within a neighborhood, parking facilities and traffic conditions in the neighborhood, zoning laws, recommendations of the local governing body, and other evidence that would tend to show whether operation of the business at that location would be detrimental to the neighborhood. Although the ABC Commission is required to consider a city's recommendations, the law gives the Commission the sole power, in its discretion, to determine the fitness of the applicant, the number of retail outlets permitted in any locality, and supervision over those who sell alcoholic beverages.

BILL ANALYSIS: House Bill 604 would give local governments authority to regulate the location or concentration of ABC permits through city planning and zoning processes.

The bill would be effective when it becomes law.

H604-SMRV-001

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 920

Short Title: ABC Availability in North Carolina.

(Public)

Sponsors: Representative Sutton.

Referred to: Alcoholic Beverage Control.

April 8, 2003

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE AVAILABILITY OF ALCOHOLIC
BEVERAGES SHOULD BE UNIFORM THROUGHOUT NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 18B of the General Statutes is amended by adding a
new section to read:

"§ 18B-101A. Commission may issue permits statewide.

(a) Effective January 1, 2005, the Commission may issue permits to qualified
applicants throughout the State.

(b) The local governing body of a jurisdiction shall have the option to determine
that no permits shall be issued by the Commission in that jurisdiction by passing a
resolution no later than October 1, 2004. If a county board of commissioners passes a
prohibition resolution, no permits shall be issued by the Commission in the
unincorporated area of the county. If a city council passes a prohibition resolution, no
permits shall be issued by the Commission within the corporate limits of the
municipality. All resolutions passed pursuant to this subsection shall be filed with the
Alcoholic Beverage Control Commission.

(c) Once a governing body has voted to prohibit the issuance of permits by the
Commission within the jurisdiction, only an election by the registered citizens of that
jurisdiction, conducted in accordance with G.S. 18B-601, can authorize the Commission
to issue permits in that jurisdiction.

(d) All permits issued by the Commission prior to June 30, 2004, pursuant to the
provisions of this Chapter shall remain in effect even if a governing body votes,
pursuant to subsection (b) of this section, to prohibit the issuance of permits by the
Commission.

(e) All local acts, rules, and provisions of this Chapter in conflict with this
section are invalid and may not be enforced."

SECTION 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 920

Short Title: ABC Availability in North Carolina.

(Public)

Sponsors: Representative Sutton.

Referred to: Alcoholic Beverage Control.

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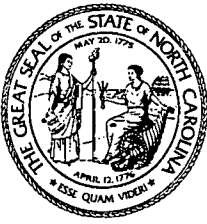
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that no permits shall be issued by the Commission in that jurisdiction by passing a
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prohibition resolution, no permits shall be issued by the Commission in the
unincorporated area of the county. If a city council passes a prohibition resolution, no
permits shall be issued by the Commission within the corporate limits of the
municipality. All resolutions passed pursuant to this subsection shall be filed with the
Alcoholic Beverage Control Commission.

(c) Once a governing body has voted to prohibit the issuance of permits by the
Commission within the jurisdiction, only an election by the registered citizens of that
jurisdiction, conducted in accordance with G.S. 18B-601, can authorize the Commission
to issue permits in that jurisdiction.

(d) All permits issued by the Commission prior to June 30, 2004, pursuant to the
provisions of this Chapter shall remain in effect even if a governing body votes,
pursuant to subsection (b) of this section, to prohibit the issuance of permits by the
Commission.

(e) All local acts, rules, and provisions of this Chapter in conflict with this
section are invalid and may not be enforced."

SECTION 2. This act is effective when it becomes law.



HOUSE BILL 920: ABC Availability in North Carolina

BILL ANALYSIS

Committee: House ABC
Date: April 29, 2003
Version: 1st Edition

Introduced by: Rep. Ronnie Sutton
Summary by: Susan L. Sitze
Committee Counsel

SUMMARY: *House Bill 920 would authorize the issuance of ABC permits statewide.*

CURRENT LAW: North Carolina currently has a local option system whereby local areas elect to have alcohol sales allowed in their jurisdiction.

BILL ANALYSIS: House Bill 920 would create a new G.S. 18B-101A to allow the ABC Commission to issue alcohol permits statewide. A local governing body has the option to determine that no permits shall be issued in that jurisdiction by passing a resolution no later than October 1, 2004 and filing that resolution with the Commission. A resolution adopted by a county board of commissioners shall apply only in the unincorporated areas of that county. A resolution adopted by a city council shall apply only in the corporate limits of that city. Once a governing body has voted to prohibit alcohol sales, only an election by the registered citizens of that jurisdiction can authorize the Commission to issue permits in that jurisdiction.

All permits issued by the Commission prior to June 30, 2004 shall remain in effect, even if the governing body adopts a resolution to prohibit issuance of permits by the Commission. All local acts, rules and provisions of Chapter 18B in conflict with the new G.S. 18B-101A are invalid and may not be enforced.

This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 1008

Short Title: New ABC Permits Based on Existing Permits.

(Public)

Sponsors: Representative Gibson.

Referred to: Alcoholic Beverage Control.

April 10, 2003

A BILL TO BE ENTITLED
AN ACT TO PROVIDE EQUITY IN THE ISSUANCE OF ABC PERMITS BY
ALLOWING PERMITS TO BE ISSUED BASED ON EXISTING PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-1006 is amended by adding a new subsection to read:

"(o) Restaurant and Hotel Permits Based on Existing Permits. – No restaurant or hotel shall be denied a permit for on-premises sale of malt beverages, unfortified wine, or mixed beverages if a permit for the on-premises sale of malt beverages, unfortified wine, or mixed beverages has been issued to another restaurant, hotel, sports club, or tourism resort located in the same county when the restaurant or hotel applying for the permit for the on-premises sale of malt beverages, unfortified wine, or mixed beverages can substantiate the loss of food sales caused by competition from other restaurants, hotels, sports clubs, or tourism resorts within the county, and either:

(1) The restaurant or hotel applying for the permit is located within one-half mile of a permitted establishment and both are within the same county in which the on-premises sale of malt beverages, unfortified wine, or mixed beverages is authorized in two or more cities in the county; or

(2) The restaurant or hotel applying for the permit is located in a county that has approved the sale of mixed beverages in at least six municipalities."

SECTION 2. G.S. 18B-1006 is amended by adding a new subsection to read:

"(p) Food Business Permits Based on Existing Permits. – No food business shall be denied a permit for the off-premises sale of malt beverages or unfortified wine if a permit for off-premises sale of malt beverages or unfortified wine has been issued to another food business located in the same county, and the food business applying for the permit for the off-premises sale of malt beverages or unfortified wine can substantiate

1 the loss of food and nonalcoholic beverage sales caused by competition from sports
2 clubs, tourism resorts, or another permitted food businesses in the county, and either:

- 3 (1) The food business applying for the permit is located within one-half
4 mile of a permitted sports club or tourism resort and both are within
5 the same county in which the off-premises sale of malt beverages or
6 unfortified wine is authorized in two or more cities in the county; or
7 (2) The food business applying for the permit is located within a county
8 that has approved the off-premises sale of malt beverages and
9 unfortified wine in at least six municipalities."

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

C

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

- ☐ Committee Substitute for
H.B. 1118 A BILL TO BE ENTITLED AN ACT TO REQUIRE SIGNS TO BE POSTED
WARNING OF THE POSSIBLE DANGERS OF CONSUMPTION OF ALCOHOL
DURING PREGNANCY.
- ☐ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the
Committee on Appropriations ☐ Finance ☐ ☐.
- ☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill,
and a recommendation that the committee substitute bill be re-referred to the Committee on
FINANCE.
- ☐ With a favorable report as to House committee substitute bill (#), ☐ which changes
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

SESSION LAW 2003-339
HOUSE BILL 1118

AN ACT TO REQUIRE SIGNS TO BE POSTED WARNING OF THE POSSIBLE
DANGERS OF CONSUMPTION OF ALCOHOL DURING PREGNANCY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-203(a) is amended by adding the following new subdivision to read:

"(18) Provide for the distribution and posting of warning signs to local ABC boards regarding the dangers of alcohol consumption during pregnancy as required under G.S. 18B-808."

SECTION 2. Article 8 of Chapter 18B of the General Statutes is amended by adding the following new section to read:

"§ 18B-808. Warning signs regarding dangers of alcohol consumption during pregnancy required; posting.

(a) Each ABC store shall display or cause to be displayed warning signs that meet the requirements of this section on the store's premises to inform the public of the effects of alcohol consumption during pregnancy.

(b) The Commission shall develop the warning signs in accordance with subsection (c) of this section and provide for their distribution and replacements to local ABC boards subject to the requirement of this section. The Commission may charge a reasonable fee, not to exceed twenty-five dollars (\$25.00), for each sign, including replacement signs.

(c) The signs required by this section shall:

(1) Be composed of black, capital letters printed on white paper at the minimum weight of one hundred ten pound index. The letters comprising the word 'WARNING' shall be highlighted black lettering and shall be larger than all other lettering on the sign.

(2) Contain the message: 'WARNING Pregnancy and alcohol do not mix. Drinking alcohol during pregnancy can cause birth defects.'

(3) The size of the sign shall be at least eight and one-half inches by 14 inches.

(4) Contain a graphic depiction of the message to assist nonreaders in understanding the message. The depiction of a pregnant female shall be universal and shall not reflect a specific race or culture.

(5) Be in both English and Spanish.

(d) A local ABC board shall ensure that each ABC store manager displays the warning sign in an open and prominent place in the store within 30 days of receipt of the sign from the Commission."

SECTION 3. This act is effective when it becomes law. The Commission and each local ABC board shall be in full compliance with the requirements of this act no later than six months after the day the bill becomes law.

In the General Assembly read three times and ratified this the 9th day of July, 2003.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 6:57 p.m. this 20th day of July, 2003

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

1

HOUSE BILL 1118

Short Title: Display Fetal Alcohol Syndrome Warning Signs.

(Public)

Sponsors: Representatives Alexander; Insko and Luebke.

Referred to: Alcoholic Beverage Control.

April 10, 2003

A BILL TO BE ENTITLED

AN ACT TO REQUIRE SIGNS TO BE POSTED WARNING OF THE POSSIBLE
DANGERS OF CONSUMPTION OF ALCOHOL DURING PREGNANCY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-203(a) is amended by adding the following new subdivision to read:

"(18) Provide for the distribution and posting of warning signs to local ABC boards regarding the dangers of alcohol consumption during pregnancy as required under G.S. 18B-808."

SECTION 2. Article 8 of Chapter 18B of the General Statutes is amended by adding the following new section to read:

"§ 18B-808. Warning signs regarding dangers of alcohol consumption during pregnancy required; posting.

(a) Each ABC store shall display or cause to be displayed warning signs that meet the requirements of this section on the store's premises to inform the public of the effects of alcohol consumption during pregnancy.

(b) The Commission shall develop the warning signs in accordance with subsection (c) of this section and provide for their distribution and replacements to local ABC boards subject to the requirement of this section. The Commission may charge a reasonable fee, not to exceed twenty-five dollars (\$25.00), for each sign, including replacement signs.

(c) The signs required by this section shall:

(1) Be composed of black, capital letters printed on white paper at the minimum weight of one hundred ten pound index. The letters comprising the word 'WARNING' shall be highlighted black lettering and shall be larger than all other lettering on the sign.

(2) Contain the message: 'WARNING Pregnancy and alcohol do not mix. Drinking alcohol before and during pregnancy can cause birth defects.'

1 (3) The size of the sign shall be at least eight and one-half inches by
2 fourteen inches.

3 (4) Contain a graphic depiction of the message to assist nonreaders in
4 understanding the message. The depiction of a pregnant female shall
5 be universal and shall not reflect a specific race or culture.

6 (5) Be in both English and Spanish.

7 (d) A local ABC board shall ensure that each ABC store manager frames and
8 hangs the warning sign in an open and prominent place in the store within 30 days of
9 receipt of the sign from the Commission."

10 **SECTION 3.** This act is effective when it becomes law. The Commission
11 and each local ABC board shall be in full compliance with the requirements of this act
12 no later than six months after the day the bill becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

D

HOUSE BILL 1118
PROPOSED COMMITTEE SUBSTITUTE H1118-CSSP-5 [v.1]

4/29/2003 9:06:14 AM

Short Title: Display Fetal Alcohol Syndrome Warning Signs.

(Public)

Sponsors:

Referred to:

April 10, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE SIGNS TO BE POSTED WARNING OF THE POSSIBLE
3 DANGERS OF CONSUMPTION OF ALCOHOL DURING PREGNANCY.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 18B-203(a) is amended by adding the following new
6 subdivision to read:

7 "(18) Provide for the distribution and posting of warning signs to local ABC
8 boards regarding the dangers of alcohol consumption during
9 pregnancy as required under G.S. 18B-808."

10 SECTION 2. Article 8 of Chapter 18B of the General Statutes is amended
11 by adding the following new section to read:

12 "§ 18B-808. Warning signs regarding dangers of alcohol consumption during
13 pregnancy required; posting.

14 (a) Each ABC store shall display or cause to be displayed warning signs that
15 meet the requirements of this section on the store's premises to inform the public of the
16 effects of alcohol consumption during pregnancy.

17 (b) The Commission shall develop the warning signs in accordance with
18 subsection (c) of this section and provide for their distribution and replacements to local
19 ABC boards subject to the requirement of this section. The Commission may charge a
20 reasonable fee, not to exceed twenty-five dollars (\$25.00), for each sign, including
21 replacement signs.

22 (c) The signs required by this section shall:

23 (1) Be composed of black, capital letters printed on white paper at the
24 minimum weight of one hundred ten pound index. The letters
25 comprising the word 'WARNING' shall be highlighted black lettering
26 and shall be larger than all other lettering on the sign.

27 (2) Contain the message: 'WARNING Pregnancy and alcohol do not mix.
28 Drinking alcohol during pregnancy can cause birth defects.'

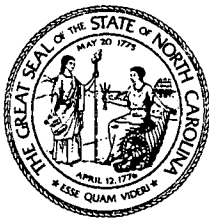
1 (3) The size of the sign shall be at least eight and one-half inches by
2 fourteen inches.

3 (4) Contain a graphic depiction of the message to assist nonreaders in
4 understanding the message. The depiction of a pregnant female shall
5 be universal and shall not reflect a specific race or culture.

6 (5) Be in both English and Spanish.

7 (d) A local ABC board shall ensure that each ABC store manager frames and
8 hangs the warning sign in an open and prominent place in the store within 30 days of
9 receipt of the sign from the Commission."

10 **SECTION 3.** This act is effective when it becomes law. The Commission
11 and each local ABC board shall be in full compliance with the requirements of this act
12 no later than six months after the day the bill becomes law.



HOUSE BILL 1118: Display Fetal Alcohol Syndrome Warning Signs

BILL ANALYSIS

Committee: House ABC
Date: April 29, 2003
Version: 1st Edition

Introduced by: Rep. Martha Alexander
Summary by: Susan L. Sitze
Committee Counsel

SUMMARY: *House Bill 1118 would require all ABC stores to display a sign warning of the possible dangers of consuming alcohol during pregnancy.*

BILL ANALYSIS: Section 1 of the bill would amend the powers and responsibilities of the ABC Commission to require them to provide for the distribution and posting of warning signs regarding the dangers of alcohol consumption during pregnancy.

Section 2 of the bill creates a new G.S. 18B-808 which requires each ABC store to display the warning signs on the store's premises. The Commission shall create the signs and may charge up to \$25.00 for each sign. The signs must be of a certain size and type and shall contain a graphic as well as be written in both English and Spanish. The local ABC board shall ensure that each store frames the sign and hangs it in a prominent place within 30 days of receipt of the sign.

Section 3 provides that the act is effective when it becomes law and requires the Commission and each local ABC board to be in compliance with the sign requirement no later than six months after the act becomes law.

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. 2

H. B. No. 1118 PCS

DATE 4-29-03

S. B. No. _____

Amendment No. _____

COMMITTEE SUBSTITUTE ✓ H1118-CSSP-5

(to be filled in by
Principal Clerk)

Rep.) Moore
Sen.) _____

1 moves to amend the bill on page 2, line 7 & 8

2 () WHICH CHANGES THE TITLE

3 by _____

4 line 7: strike "frames and keys", replace
5 with ~~"parts"~~ "displays"

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED [Signature]

ADOPTED _____ FAILED _____ TABLED _____

ALCOHOLIC BEVERAGE CONTROL COMMITTEE

June 3, 2003

AGENDA

OPENING REMARKS

Representative John Hall, Chair

AGENDA ITEMS

HB 1108 BEER/WINE SHIPPERS PERMITS
Representatives Gibson & Sherrill

SB 19 TOWNSHIP ABC ELECTIONS
Senator C. Albertson

VISITOR REGISTRATION SHEET

ALCOHOLIC BEVERAGE CONTROL

Name of Committee

6/3/03, 1pm
Date/Time

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

<u>NAME</u>	<u>FIRM OR AGENCY AND ADDRESS</u>
Andy Elton	NCLMA
John Mcmillan	MFT
MICHAEL CROWEN	NC BEER & WINE WHOLESALE ASSN
Chris Valauri	NC Beer & Wine Assoc
Becky Gray	Mutual Distributing
Michael Brown	Captain's Group
Paula	SLRA
Carol Paula	EGHS
Greg Delford	DOR
Lennie Collins	DOR
Andy Sabol	DOR
Jared Petts	Charlotte Observer
Angie Harris	Mary Taylor
Stephanie Silberry	Partners to Reduce Underage Drinking
Kelli Webb	General Office
Fran Cockman	NC State Watch
John Hunt	NC FPC
Mark Sch	Red Call & Group
Rev. Mark Creech	CAC
Bob Jones	
Jim Marsh	ABC Commission
James Smith	ABC "
Ann Fulton	ABC Commission
Judith Woodson	NCCBT
Chuck Reberny	Belmore Estate Wine Company
Jon Carr	NC ABC Boards
John	JD, M, PA

MINUTES
ALCOHOLIC BEVERAGE CONTROL COMMITTEE

Tuesday, June 3, 2003
Legislative Office Building, Room 415
Raleigh, North Carolina

The Alcoholic Beverage Control Committee (ABC) met at the Legislative Office Building in Room 415 on Tuesday, June 3, 2003, at 1:00 pm.

The following members were in attendance: Representatives John Hall (Chair), Karen Ray (Vice-Chair), Rex Baker, Pryor Gibson, Marvin Lucas, and Tim Moore. Research Division staff Brenda Carter and Susan Sitze were also present.


Representative Hall called the meeting to order and introduced the House Sergeant-at-Arms Bill Freeman and Bob Fowler, and House Pages Montrell Brown (Wake County), Laura Buckley (Cabarrus County) and Tempe Williamson (Franklin County).

SB 19, Township ABC Elections was sponsored by Senator C. Albertson. The Proposed Committee Substitute (PCS) for SB 19 would permit ABC elections in any township located in a county where cities and townships comprising more than 20% of the population have previously approved the sale of alcoholic beverages. After brief discussions on the bill, the Committee voted to give the bill a favorable report. A copy of the bill and other related documents are attached and made a part of these minutes.

HB 1108, Beer/Wine Shippers Permits was sponsored by Representatives Pryor Gibson and Wilma Sherrill. This bill would authorize the Alcoholic Beverage Commission to issue wine shippers permits to allow the direct shipment of wines to residents in North Carolina. After a lengthy discussion on the bill, it was moved by Representative Baker that the PCS for HB 1108 be approved as amended by Representative Moore. The PCS was approved and referred to the Finance Committee. A copy of the PCS for HB 1108 and other related documents are attached and made a part of these minutes.

The Visitor Registration sheet is attached and also made a part of these minutes.

The meeting adjourned at 2:00 pm.


Representative John D. Hall
Chairman


Delta F. Prince
Committee Assistant

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John D. Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

- ☒ Committee Substitute for
S.B. 19 A BILL TO BE ENTITLED AN ACT TO AMEND THE LAW REGARDING
TOWNSHIP ABC ELECTIONS IN CERTAIN TOWNSHIPS.
- ☒ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on
Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the
Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the
title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and
recommendation that the committee substitute bill #) be re-referred to the Committee
on .)
- ☐ With a favorable report as to House committee substitute bill (#), ☐ which changes
the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2003-218
SENATE BILL 19**

**AN ACT TO AMEND THE LAW REGARDING TOWNSHIP ABC ELECTIONS IN
CERTAIN TOWNSHIPS.**

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-600(f) reads as rewritten:

"(f) Township Elections. — An election may be called on any of the propositions listed in G.S. 18B-602 in any township located within:

- (1) A county where ABC stores have heretofore been established by petition pursuant to law.
- (2) A county where ABC stores have been established pursuant to law, in which county according to data from the North Carolina Department of Commerce: (i) one-third or more of the employment is travel related, (ii) spending on travel exceeds four hundred million dollars (\$400,000,000) per year, and where the entirety of two townships consists of one island (and several smaller islands not making up more than one percent (1%) of the total land area of the two townships) where that island:
 - a. Has a population of 4,000 or over according to the most recent decennial federal census;
 - b. Is located with one side facing the ocean and another side facing a coastal sound.
- (3) A county where the population of all cities in the county that have previously approved the sale of any kind of alcoholic beverages comprises more than twenty percent (20%) of the total county population as of the most recent federal census.

In the case of subdivision (2) of this section, an election may be called in the two townships voting together on the proposition contained in G.S. 18B-602(h).

The election shall be held by the county board of elections upon request of the county board of commissioners or upon petition of twenty-five percent (25%) of the registered voters of the township, or in the case of subdivision (2) of this section, of the two townships taken together. The election shall be conducted and the results determined in the same manner as county elections held under this Article. For purposes of this Article, townships holding any election under this subsection shall be treated on the same basis as counties, and municipalities located within those townships shall be treated on the same basis as cities. In the case of an election under subdivision (2) of this subsection, the votes of the two townships counted together shall determine the result of the election.

For purposes of this subsection, the name and boundary of a township is as it is shown on the Redistricting Census 2000 TIGER Files with modifications made by the Legislative Services Office on its computer database as of May 1, 2001.

In any township election held under this subsection, the area within any incorporated municipality is excluded, and no permits may be issued under this subsection in any excluded area.

In order for an establishment to qualify for a permit under this subsection, the establishment's gross receipts from food and nonalcoholic beverages shall be greater than its gross receipts from alcoholic beverages."

SECTION 2. G.S. 18B-604 reads as rewritten:

"§ 18B-604. Timing and effect of subsequent elections.

(a) **Time Limits.** – No county alcoholic beverage election may be held within three years of the certification of the results of a previous election on the same kind of alcoholic beverages in that county. No city alcoholic beverage election may be held within three years of the certification of the results of a previous election on the same kind of alcoholic beverage in that city. Otherwise, alcoholic beverage elections may be held at any time, subject to the applicable provisions of this Chapter and Chapter 163.

(b) **Effect of Favorable County Vote on ~~City~~ City or Township.** – If a majority of voters vote in favor of certain alcoholic beverage sales in a county election, sale of that kind of alcoholic beverage shall be lawful throughout the county, regardless of the vote in any city or township at that or any previous or subsequent election, and regardless of any local act making sales unlawful in that ~~city~~, city or township, unless the local act was ratified before the effective date of Article II, Section 24(1)(j) of the Constitution of North Carolina. A county malt beverage or unfortified [wine] election in favor of a particular ballot proposition which is more restrictive than the form of sale already allowed in a city or township within that county shall not affect the legality of those previously authorized sales in the ~~city~~ city or township.

(c) **Effect of Negative County Vote on ~~City~~ City or Township.** – If a majority of voters vote against certain alcoholic beverage sales in a county election, sale of that kind of alcoholic beverage shall be unlawful throughout the county, except that sale of that alcoholic beverage shall remain lawful in any city or township in which sale is lawful because of a city or township election or a local act.

(d) **Effect of City or Township Election on County.** – A city or township alcoholic beverage election shall not affect the lawfulness of sale in any part of the county outside that ~~city~~ city or township.

(e) **~~ABC Store Required for Mixed Beverages.~~** ~~The sale of mixed beverages may not continue in a city or county at any time after the ABC stores which are requisite to mixed beverage sales have closed.~~

(f) **When Sales Stop.** – When the sale of any alcoholic beverage that was previously lawful becomes unlawful because of an election, the sale of that alcoholic beverage shall cease 90 days after certification of the results of the election."

SECTION 3. G.S. 18B-404(b) reads as rewritten:

"(b) **Issuance.** – If mixed beverages sales have been approved for an establishment under G.S. 18B-603(d1) or under G.S. 18B-603(e), or for an establishment located in a township in which mixed beverages have been approved the purchase-transportation permit for that establishment may be issued by the local board of any city located in the same county as the establishment, provided the city has approved the sale of mixed beverages. Otherwise a licensed establishment may obtain a mixed beverages purchase-transportation permit only from the local board for the jurisdiction in which it is located. If there is no ABC store within the establishment's jurisdiction, then the mixed beverages permittee shall obtain a mixed beverages purchase-transportation permit from the nearest and most convenient ABC store."

SECTION 4. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 10th day of June, 2003.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ Richard T. Morgan
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 12:39 p.m. this 19th day of June, 2003

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

S

2

SENATE BILL 19
Judiciary I Committee Substitute Adopted 4/28/03

Short Title: Township ABC Elections.

(Public)

Sponsors:

Referred to:

February 10, 2003

- 1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE LAW REGARDING TOWNSHIP ABC ELECTIONS IN
3 CERTAIN TOWNSHIPS.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** G.S. 18B-600(f) reads as rewritten:
6 "(f) Township Elections. — An election may be called on any of the propositions
7 listed in G.S. 18B-602 in any township located within:
8 (1) A county where ABC stores have heretofore been established by
9 petition pursuant to law.
10 (2) A county where ABC stores have been established pursuant to law, in
11 which county according to data from the North Carolina Department
12 of Commerce: (i) one-third or more of the employment is travel
13 related, (ii) spending on travel exceeds four hundred million dollars
14 (\$400,000,000) per year, and where the entirety of two townships
15 consists of one island (and several smaller islands not making up more
16 than one percent (1%) of the total land area of the two townships)
17 where that island:
18 a. Has a population of 4,000 or over according to the most recent
19 decennial federal census;
20 b. Is located with one side facing the ocean and another side
21 facing a coastal sound.
22 (3) A county where the population of all cities in the county that have
23 previously approved the sale of any kind of alcoholic beverages
24 comprises more than twenty percent (20%) of the total county
25 population as of the most recent federal census.
26 In the case of subdivision (2) of this section, an election may be called in the two
27 townships voting together on the proposition contained in G.S. 18B-602(h).
28 The election shall be held by the county board of elections upon request of the
29 county board of commissioners or upon petition of twenty-five percent (25%) of the

1 registered voters of the township, or in the case of subdivision (2) of this section, of the
2 two townships taken together. The election shall be conducted and the results
3 determined in the same manner as county elections held under this Article. For purposes
4 of this Article, townships holding any election under this subsection shall be treated on
5 the same basis as counties, and municipalities located within those townships shall be
6 treated on the same basis as cities. In the case of an election under subdivision (2) of
7 this subsection, the votes of the two townships counted together shall determine the
8 result of the election.

9 For purposes of this subsection, the name and boundary of a township is as it is
10 shown on the Redistricting Census 2000 TIGER Files with modifications made by the
11 Legislative Services Office on its computer database as of May 1, 2001.

12 In any township election held under this subsection, the area within any incorporated
13 municipality is excluded, and no permits may be issued under this subsection in any
14 excluded area.

15 In order for an establishment to qualify for a permit under this subsection, the
16 establishment's gross receipts from food and nonalcoholic beverages shall be greater
17 than its gross receipts from alcoholic beverages."

18 **SECTION 2. G.S. 18B-604 reads as rewritten:**

19 **"§ 18B-604. Timing and effect of subsequent elections.**

20 (a) Time Limits. – No county alcoholic beverage election may be held within
21 three years of the certification of the results of a previous election on the same kind of
22 alcoholic beverages in that county. No city alcoholic beverage election may be held
23 within three years of the certification of the results of a previous election on the same
24 kind of alcoholic beverage in that city. Otherwise, alcoholic beverage elections may be
25 held at any time, subject to the applicable provisions of this Chapter and Chapter 163.

26 (b) Effect of Favorable County Vote on ~~City~~. City or Township. – If a majority of
27 voters vote in favor of certain alcoholic beverage sales in a county election, sale of that
28 kind of alcoholic beverage shall be lawful throughout the county, regardless of the vote
29 in any city or township at that or any previous or subsequent election, and regardless of
30 any local act making sales unlawful in that ~~city~~, city or township, unless the local act
31 was ratified before the effective date of Article II, Section 24(1)(j) of the Constitution of
32 North Carolina. A county malt beverage or unfortified [wine] election in favor of a
33 particular ballot proposition which is more restrictive than the form of sale already
34 allowed in a city or township within that county shall not affect the legality of those
35 previously authorized sales in the ~~city~~, city or township.

36 (c) Effect of Negative County Vote on ~~City~~. City or Township. – If a majority of
37 voters vote against certain alcoholic beverage sales in a county election, sale of that
38 kind of alcoholic beverage shall be unlawful throughout the county, except that sale of
39 that alcoholic beverage shall remain lawful in any city or township in which sale is
40 lawful because of a city or township election or a local act.

41 (d) Effect of City or Township Election on County. – A city or township
42 alcoholic beverage election shall not affect the lawfulness of sale in any part of the
43 county outside that ~~city~~, city or township.

1 ~~(e) ABC Store Required for Mixed Beverages. — The sale of mixed beverages~~
2 ~~may not continue in a city or county at any time after the ABC stores which are~~
3 ~~requisite to mixed beverage sales have closed.~~

4 (f) When Sales Stop. — When the sale of any alcoholic beverage that was
5 previously lawful becomes unlawful because of an election, the sale of that alcoholic
6 beverage shall cease 90 days after certification of the results of the election."

7 **SECTION 3.** G.S. 18B-404(b) reads as rewritten:

8 "(b) Issuance. — If mixed beverages sales have been approved for an establishment
9 under G.S. 18B-603(d1) or under G.S. 18B-603(e), or for an establishment located in a
10 township in which mixed beverages have been approved the purchase-transportation
11 permit for that establishment may be issued by the local board of any city located in the
12 same county as the establishment, provided the city has approved the sale of mixed
13 beverages. Otherwise a licensed establishment may obtain a mixed beverages
14 purchase-transportation permit only from the local board for the jurisdiction in which it
15 is located. If there is no ABC store within the establishment's jurisdiction, then the
16 mixed beverages permittee shall obtain a mixed beverages purchase-transportation
17 permit from the nearest and most convenient ABC store."

18 **SECTION 4.** This act is effective when it becomes law.



SENATE BILL 19: Township ABC Elections.

BILL ANALYSIS

Committee: House ABC
Date: May 27, 2003
Version: 2nd Edition

Introduced by: Senator Albertson
Summary by: Susan L. Sitze*
Committee Counsel

SUMMARY: *The Proposed Committee Substitute for Senate Bill 19 would permit ABC elections in any township located in a county where cities and townships comprising more than 20% of the population have previously approved the sale of alcoholic beverages.*

CURRENT LAW: G.S. 18B-600(f) provides for township elections in any county where ABC stores have been established by petition pursuant to law, and in any coastal county meeting the specific criteria set out in the statute. In qualified townships, elections may be held on malt beverages, unfortified wine, ABC stores, and mixed beverages. The elections are held by the county board of elections upon request of the county board of commissioners or upon petition of 25% of the registered voters of the township (or in the case of the coastal county, two townships together).

BILL ANALYSIS: *Section 1* of the bill amends the law governing township elections to provide that an election may be called in *any* township within the State, if the population of all cities in the county that have previously approved the sale of any kind of alcoholic beverages comprises more than 20% of the total county population.

Section 2 makes conforming changes to the law governing the timing and effect of subsequent elections, and repeals an obsolete provision dealing with the sale of mixed beverages in a city or county after the ABC stores in that city or county have closed.

Section 3 makes a conforming change that provides for the purchase and transportation of alcoholic beverages by a permittee located in a township in which mixed beverages have been approved.

EFFECTIVE DATE: The bill would be effective when it becomes law.

*This summary was substantially contributed to by Brenda Carter and O. Walker Reagan.

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

☐ Committee Substitute for

H.B. 1108 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE ALCOHOLIC BEVERAGE COMMISSION TO ISSUE WINE SHIPPERS PERMITS TO ALLOW THE DIRECT SHIPMENT OF WINES TO RESIDENTS OF NORTH CAROLINA.

- ☐ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐.
- ☒ With a favorable report as to the committee substitute bill, ☒ which changes the title, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on FINANCE.
- ☐ With a favorable report as to House committee substitute bill, ☐ which changes the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

D

HOUSE BILL 1108
PROPOSED COMMITTEE SUBSTITUTE H1108-PCS80324-LK-13

Short Title: Wine Shippers Permits.

(Public)

Sponsors:

Referred to:

April 10, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE ALCOHOLIC BEVERAGE COMMISSION TO
3 ISSUE WINE SHIPPERS PERMITS TO ALLOW THE DIRECT SHIPMENT OF
4 WINES TO RESIDENTS OF NORTH CAROLINA.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 18B-902(d) reads as rewritten:

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

- 9 (1) On-premises malt beverage permit – \$400.00.
- 10 (2) Off-premises malt beverage permit – \$400.00.
- 11 (3) On-premises unfortified wine permit – \$400.00.
- 12 (4) Off-premises unfortified wine permit – \$400.00.
- 13 (5) On-premises fortified wine permit – \$400.00.
- 14 (6) Off-premises fortified wine permit – \$400.00.
- 15 (7) Brown-bagging permit – \$400.00, unless the application is for a
16 restaurant seating less than 50, in which case the fee shall be \$200.00.
- 17 (8) Special occasion permit – \$400.00.
- 18 (9) Limited special occasion permit – \$50.00.
- 19 (10) Mixed beverages permit – \$1,000.
- 20 (11) Culinary permit – \$200.00.
- 21 (12) Unfortified winery permit – \$300.00.
- 22 (13) Fortified winery permit – \$300.00.
- 23 (14) Limited winery permit – \$300.00.
- 24 (15) Brewery permit – \$300.00.
- 25 (16) Distillery permit – \$300.00.
- 26 (17) Fuel alcohol permit – \$100.00.
- 27 (18) Wine importer permit – \$300.00.
- 28 (19) Wine wholesaler permit – \$300.00.

- (20) Malt beverage importer permit – \$300.00.
- (21) Malt beverage wholesaler permit – \$300.00.
- (22) Bottler permit – \$300.00.
- (23) Salesman permit – \$100.00.
- (24) Vendor representative permit – \$50.00.
- (25) Nonresident malt beverage vendor permit – \$100.00.
- (26) Nonresident wine vendor permit – \$100.00.
- (27) Any special one-time permit under G.S. 18B-1002 – \$50.00.
- (28) Winery special event permit – \$200.00.
- (29) Mixed beverages catering permit – \$200.00.
- (30) Guest room cabinet permit – \$1,000.
- (31) Liquor importer/bottler permit – \$500.00.
- (32) Cider and vinegar manufacturer permit – \$200.00.
- (33) Brew on premises permit – \$400.00.
- (34) Wine producer permit – \$300.00.
- (35) Wine tasting permit – \$100.00.
- (36) Wine shipper permit – \$100.00."

SECTION 2. G.S. 18B-1100 reads as rewritten:

"§ 18B-1100. Commercial permits.

The Commission may issue the following commercial permits:

- (1) Unfortified winery
- (2) Fortified winery
- (3) Limited winery
- (4) Brewery
- (5) Distillery
- (6) Fuel alcohol
- (7) Wine importer
- (8) Wine wholesaler
- (9) Malt beverages importer
- (10) Malt beverages wholesaler
- (11) Bottler
- (12) Salesman
- (13) Vendor representative
- (14) Nonresident malt beverage vendor
- (15) Nonresident wine vendor
- (16) Winery special show
- (17) Liquor importer/bottler permit
- (18) Cider and vinegar manufacturer
- (19) Wine producer permit
- (20) Wine shipper permit."

SECTION 3. Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1001.1. Authorization of wine shipper permit.

(a) Any winery located within or outside the State, holding a federal basic wine manufacturer permit, may apply to the Commission for issuance of a wine shipper permit that shall authorize the shipment of brands of wines identified in the application. A wine shipper permittee may amend the brands of wines identified in the permit application but shall file any amendments with the Commission. Any winery that applies for a wine shipper permit shall notify any wholesale permittees that have been authorized to distribute those brands within this State that an application has been filed for a wine shipper permit. The notice shall be given in writing and in a form prescribed by the Commission.

(b) The holder of a wine shipper permit and the holder of a retail wine permit shipping directly to consumers pursuant to that permit may sell and ship to any person in North Carolina to whom alcoholic beverages may be lawfully sold not more than two cases of wine per month. All sales and shipments shall be for personal use only and not for resale. A case of wine shall mean any combination of packages containing not more than nine liters of wine.

(c) A wine shipper permittee that ships more than 1,000 cases of wine to North Carolina addresses in a calendar year shall appoint at least one wholesaler to offer and sell the products of the wine shipper permittee under Article 12 of this Chapter, if the wine shipper permittee is contacted by a wholesaler that wishes to sell the products of the wine shipper permittee. This provision shall not be construed to require the wine shipper permittee to appoint the wholesaler who originally contacted the wine shipper permittee. Wine purchased by a North Carolina resident at the premises of the wine shipper permittee and shipped to an address in North Carolina under subsection (b) of this section shall not be included in calculating the total of 1,000 cases per year.

(d) A wine shipper permittee shall be subject to jurisdiction of the North Carolina courts by virtue of applying for a wine shipper permit and shall comply with any audit and other compliance requirements adopted by the Commission and the Department of Revenue."

SECTION 4. Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1001.2. Additional wine shipping requirements.

A wine shipper permittee shall:

(1) Compile and submit to the Commission quarterly, a summary indicating all wine products shipped, including brand and price of each product, date of each shipment, and amount of excise and sales tax remitted to the Department of Revenue.

(2) Register with the Department of Revenue as a wine shipper permittee and provide any additional information required by the Department."

SECTION 5. Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1001.3. Wine shipper permit common carrier provisions.

The direct shipment of wine by wine shipper permittees and retail wine permittees made pursuant to G.S. 18B-1001.1 shall be by approved common carrier only. Each common carrier shall apply to the Commission for approval to provide common

1 carriage of wines shipped by holders of permits issued pursuant to this section. These
2 rules shall include provisions that require:

- 3 (1) Proof, upon delivery, that the recipient of the wine is at least 21 years
4 of age.
5 (2) The recipient to sign an electronic or paper form or other
6 acknowledgment of receipt as approved by the Commission.
7 (3) The Commission-approved common carrier to submit any information
8 that the Commission may require.

9 The Commission-approved common carrier shall refuse delivery when the proposed
10 recipient appears to be under the age of 21 years and refuses to present valid
11 identification. All wine shipper permittees shipping wines pursuant to this section shall
12 affix a notice in their standard typeface for shipments of alcoholic beverages, but not
13 less than a 26-point type, to the outside of each package of wine shipped within or into
14 the state in a conspicuous location stating: 'CONTAINS ALCOHOLIC BEVERAGES;
15 SIGNATURE OF PERSON AGED 21 YEARS OR OLDER REQUIRED FOR
16 DELIVERY'. Any delivery of wines to a minor by a common carrier shall constitute a
17 violation by the common carrier. The common carrier and the wine shipper permittee
18 shall be liable only for their independent acts."

19 **SECTION 6.** Chapter 18B of the General Statutes is amended by adding a
20 new section to read:

21 **"§ 18B-1001.4. Wine purchased on winery premises.**

22 A person purchasing wine at the premises of a winery, whether located within or
23 outside North Carolina, may ship or authorize the winery to ship by common carrier the
24 purchased wine directly to an address in North Carolina in amounts that can be
25 personally transported in accordance with the laws of North Carolina and of the state in
26 which the winery is located."

27 **SECTION 7.** G.S. 18B-102.1(a) reads as rewritten:

28 "(a) It is unlawful for any person who is an out-of-state retail or wholesale dealer
29 in the business of selling alcoholic beverages who does not hold a wine shipper permit
30 or a retail wine permittee shipping pursuant to G.S. 18B-1001.1 to ship or cause to be
31 shipped any alcoholic beverage directly to any North Carolina resident who does not
32 hold a valid wholesaler's permit under Article 11 of this Chapter."

33 **SECTION 8.** G.S. 18B-109(a) reads as rewritten:

34 "(a) General Prohibition. – No-Except as provided in G.S. 18B-1001.4, no person
35 shall have any alcoholic beverage mailed or shipped to him from outside this State
36 unless he has the appropriate ABC permit: permit or unless the shipper holds a wine
37 shipper permit."

38 **SECTION 9.** G.S. 18B-1101(3) is repealed.

39 **SECTION 10.** G.S. 18B-1102(3) is repealed.

40 **SECTION 11.** G.S. 105-113.83(b) reads as rewritten:

41 "(b) Beer and Wine. – The excise taxes on malt beverages and wine levied under
42 G.S. 105-113.80(a) and (b), respectively, are payable to the Secretary by the resident
43 wholesaler or importer who first handles the beverages in this State. The excise taxes on
44 wine under G.S. 105-113.80(b) shipped directly to consumers pursuant to G.S.

18B-1001.1 shall be paid by the wine shipper permittee or winery. The taxes on malt beverages and wine shall be paid only once on the same beverages. The tax shall be paid on or before the 15th day of the month following the month in which the beverage is first sold or otherwise disposed of in this State by the wholesaler or ~~importer~~ importer, or wine shipper permittee or winery. When excise taxes are paid on wine or malt beverages, the wholesaler or ~~importer~~ importer, or wine shipper permittee or winery shall submit to the Secretary verified reports on forms provided by the Secretary detailing sales records for the month for which the taxes are paid. The report shall indicate the amount of excise tax due, contain the information required by the Secretary, and indicate separately any transactions to which the excise tax does not apply."

SECTION 12. G.S. 105-113.84 reads as rewritten:

"§ 105-113.84. Report of resident brewery, resident winery, or nonresident vendor.

A resident brewery, resident winery, ~~and nonresident vendor~~ and wine shipper permittee must file a monthly report with the Secretary. The report must list the amount of beverages delivered to North Carolina wholesalers and ~~importers~~ or purchasers under G.S. 18B-1001.1 during the month. The report is due by the 15th day of the month following the month covered by the report. The report must be filed on a form approved by the Secretary and must contain the information required by the Secretary."

SECTION 13. G.S. 105-113.85 reads as rewritten:

"§ 105-113.85. Discount.

Each wholesaler or ~~importer~~ importer, or wine shipper permittee or winery who files a timely return and sends a timely payment may deduct from the amount payable a discount of four percent (4%). This discount covers losses due to spoilage and breakage, expenses incurred in preparing the records and reports required by this Article, and the expense of furnishing a bond."

SECTION 14. G.S. 105-113.68(a) reads as rewritten:

"(a) Definitions. – As used in this Article, unless the context clearly requires otherwise:

...

(15) "Wine shipper permittee" means a winery that holds a wine shipper permit issued by the Alcoholic Beverage Control Commission pursuant to G.S. 18B-1001.1."

SECTION 15. G.S. 105-164.8(b) reads as rewritten:

"(b) Mail Order Sales. – A retailer who makes a mail order sale is engaged in business in this State and is subject to the tax levied under this Article if one of the following conditions is met:

- (1) The retailer is a corporation engaged in business under the laws of this State or a person domiciled in, a resident of, or a citizen of, this State;
- (2) The retailer maintains retail establishments or offices in this State, whether the mail order sales thus subject to taxation by this State result from or are related in any other way to the activities of such establishments or offices;

- 1 (3) The retailer has representatives in this State who solicit business or
2 transact business on behalf of the retailer, whether the mail order sales
3 thus subject to taxation by this State result from or are related in any
4 other way to such solicitation or transaction of business;
5 (4) Repealed by Session Laws 1991, c. 45, s. 16.
6 (5) The retailer, by purposefully or systematically exploiting the market
7 provided by this State by any media-assisted, media-facilitated, or
8 media-solicited means, including direct mail advertising, distribution
9 of catalogs, computer-assisted shopping, television, radio or other
10 electronic media, telephone solicitation, magazine or newspaper
11 advertisements, or other media, creates nexus with this State;
12 (6) Through compact or reciprocity with another jurisdiction of the United
13 States, that jurisdiction uses its taxing power and its jurisdiction over
14 the retailer in support of this State's taxing power; or
15 (7) The retailer consents, expressly or by implication, to the imposition of
16 the tax imposed by this Article. For purposes of this subdivision,
17 evidence that a retailer engaged in the activity described in subdivision
18 (5) shall be prima facie evidence that the retailer consents to the
19 imposition of the tax imposed by this Article.
20 (8) The retailer is a holder of a wine shipper permit issued by the
21 Alcoholic Beverage Control Commission pursuant to G.S. 18B-
22 1001.1."

23 **SECTION 16.** This act becomes effective October 1, 2003.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

H

2

HOUSE BILL 1108
Committee Substitute Favorable 6/9/03

Short Title: Wine Shippers Permits.

(Public)

Sponsors:

Referred to:

April 10, 2003

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE ALCOHOLIC BEVERAGE COMMISSION TO
3 ISSUE WINE SHIPPERS PERMITS TO ALLOW THE DIRECT SHIPMENT OF
4 WINES TO RESIDENTS OF NORTH CAROLINA.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 18B-902(d) reads as rewritten:

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

- 9 - (1) On-premises malt beverage permit – \$400.00.
10 (2) Off-premises malt beverage permit – \$400.00.
11 (3) On-premises unfortified wine permit – \$400.00.
12 (4) Off-premises unfortified wine permit – \$400.00.
13 (5) On-premises fortified wine permit – \$400.00.
14 (6) Off-premises fortified wine permit – \$400.00.
15 (7) Brown-bagging permit – \$400.00, unless the application is for a
16 restaurant seating less than 50, in which case the fee shall be \$200.00.
17 (8) Special occasion permit – \$400.00.
18 (9) Limited special occasion permit – \$50.00.
19 (10) Mixed beverages permit – \$1,000.
20 (11) Culinary permit – \$200.00.
21 (12) Unfortified winery permit – \$300.00.
22 (13) Fortified winery permit – \$300.00.
23 (14) Limited winery permit – \$300.00.
24 (15) Brewery permit – \$300.00.
25 (16) Distillery permit – \$300.00.
26 (17) Fuel alcohol permit – \$100.00.
27 (18) Wine importer permit – \$300.00.
28 (19) Wine wholesaler permit – \$300.00.
29 (20) Malt beverage importer permit – \$300.00.

- (21) Malt beverage wholesaler permit – \$300.00.
- (22) Bottler permit – \$300.00.
- (23) Salesman permit – \$100.00.
- (24) Vendor representative permit – \$50.00.
- (25) Nonresident malt beverage vendor permit – \$100.00.
- (26) Nonresident wine vendor permit – \$100.00.
- (27) Any special one-time permit under G.S. 18B-1002 – \$50.00.
- (28) Winery special event permit – \$200.00.
- (29) Mixed beverages catering permit – \$200.00.
- (30) Guest room cabinet permit – \$1,000.
- (31) Liquor importer/bottler permit – \$500.00.
- (32) Cider and vinegar manufacturer permit – \$200.00.
- (33) Brew on premises permit – \$400.00.
- (34) Wine producer permit – \$300.00.
- (35) Wine tasting permit – \$100.00.
- (36) Wine shipper permit – \$100.00."

SECTION 2. G.S. 18B-1100 reads as rewritten:

"§ 18B-1100. Commercial permits.

The Commission may issue the following commercial permits:

- (1) Unfortified winery
- (2) Fortified winery
- (3) Limited winery
- (4) Brewery
- (5) Distillery
- (6) Fuel alcohol
- (7) Wine importer
- (8) Wine wholesaler
- (9) Malt beverages importer
- (10) Malt beverages wholesaler
- (11) Bottler
- (12) Salesman
- (13) Vendor representative
- (14) Nonresident malt beverage vendor
- (15) Nonresident wine vendor
- (16) Winery special show
- (17) Liquor importer/bottler permit
- (18) Cider and vinegar manufacturer
- (19) Wine producer permit
- (20) Wine shipper permit."

SECTION 3. Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1001.1. Authorization of wine shipper permit.

(a) Any winery located within or outside the State, holding a federal basic wine manufacturer permit, may apply to the Commission for issuance of a wine shipper

1 permit that shall authorize the shipment of brands of wines identified in the application.
2 A wine shipper permittee may amend the brands of wines identified in the permit
3 application but shall file any amendments with the Commission. Any winery that
4 applies for a wine shipper permit shall notify any wholesale permittees that have been
5 authorized to distribute those brands within this State that an application has been filed
6 for a wine shipper permit. The notice shall be given in writing and in a form prescribed
7 by the Commission.

8 (b) The holder of a wine shipper permit and the holder of a retail wine permit
9 shipping directly to consumers pursuant to that permit may sell and ship to any person
10 in North Carolina to whom alcoholic beverages may be lawfully sold not more than two
11 cases of wine per month. All sales and shipments shall be for personal use only and not
12 for resale. A case of wine shall mean any combination of packages containing not more
13 than nine liters of wine.

14 (c) A wine shipper permittee that ships more than 1,000 cases of wine to North
15 Carolina addresses in a calendar year shall appoint at least one wholesaler to offer and
16 sell the products of the wine shipper permittee under Article 12 of this Chapter, if the
17 wine shipper permittee is contacted by a wholesaler that wishes to sell the products of
18 the wine shipper permittee. This provision shall not be construed to require the wine
19 shipper permittee to appoint the wholesaler who originally contacted the wine shipper
20 permittee. Wine purchased by a North Carolina resident at the premises of the wine
21 shipper permittee and shipped to an address in North Carolina under subsection (b) of
22 this section shall not be included in calculating the total of 1,000 cases per year.

23 (d) A wine shipper permittee shall be subject to jurisdiction of the North Carolina
24 courts by virtue of applying for a wine shipper permit and shall comply with any audit
25 and other compliance requirements adopted by the Commission and the Department of
26 Revenue."

27 **SECTION 4.** Chapter 18B of the General Statutes is amended by adding a
28 new section to read:

29 **"§ 18B-1001.2. Additional wine shipping requirements.**

30 A wine shipper permittee shall:

- 31 (1) Compile and submit to the Commission quarterly, a summary
32 indicating all wine products shipped, including brand and price of each
33 product, date of each shipment, and amount of excise and sales tax
34 remitted to the Department of Revenue.
- 35 (2) Register with the Department of Revenue as a wine shipper permittee
36 and provide any additional information required by the Department."

37 **SECTION 5.** Chapter 18B of the General Statutes is amended by adding a
38 new section to read:

39 **"§ 18B-1001.3. Wine shipper permit common carrier provisions.**

40 The direct shipment of wine by wine shipper permittees and retail wine permittees
41 made pursuant to G.S. 18B-1001.1 shall be by approved common carrier only. Each
42 common carrier shall apply to the Commission for approval to provide common
43 carriage of wines shipped by holders of permits issued pursuant to this section. These
44 rules shall include provisions that require:

- (1) Proof, upon delivery, that the recipient of the wine is at least 21 years of age.
- (2) The recipient to sign an electronic or paper form or other acknowledgment of receipt as approved by the Commission.
- (3) The Commission-approved common carrier to submit any information that the Commission may require.

The Commission-approved common carrier shall refuse delivery when the proposed recipient appears to be under the age of 21 years and refuses to present valid identification. All wine shipper permittees shipping wines pursuant to this section shall affix a notice in their standard typeface for shipments of alcoholic beverages, but not less than a 26-point type, to the outside of each package of wine shipped within or into the state in a conspicuous location stating: 'CONTAINS ALCOHOLIC BEVERAGES: SIGNATURE OF PERSON AGED 21 YEARS OR OLDER REQUIRED FOR DELIVERY'. Any delivery of wines to a minor by a common carrier shall constitute a violation by the common carrier. The common carrier and the wine shipper permittee shall be liable only for their independent acts."

SECTION 6. Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1001.4. Wine purchased on winery premises.

A person purchasing wine at the premises of a winery, whether located within or outside North Carolina, may ship or authorize the winery to ship by common carrier the purchased wine directly to an address in North Carolina in amounts that can be personally transported in accordance with the laws of North Carolina and of the state in which the winery is located."

SECTION 7. G.S. 18B-102.1(a) reads as rewritten:

"(a) It is unlawful for any person who is an out-of-state retail or wholesale dealer in the business of selling alcoholic beverages who does not hold a wine shipper permit or a retail wine permittee shipping pursuant to G.S. 18B-1001.1 to ship or cause to be shipped any alcoholic beverage directly to any North Carolina resident who does not hold a valid wholesaler's permit under Article 11 of this Chapter."

SECTION 8. G.S. 18B-109(a) reads as rewritten:

"(a) General Prohibition. – No-Except as provided in G.S. 18B-1001.4, no person shall have any alcoholic beverage mailed or shipped to him from outside this State unless he has the appropriate ABC permit-permit or unless the shipper holds a wine shipper permit."

SECTION 9. G.S. 18B-1101(3) is repealed.

SECTION 10. G.S. 18B-1102(3) is repealed.

SECTION 11. G.S. 105-113.83(b) reads as rewritten:

"(b) Beer and Wine. – The excise taxes on malt beverages and wine levied under G.S. 105-113.80(a) and (b), respectively, are payable to the Secretary by the resident wholesaler or importer who first handles the beverages in this State. The excise taxes on wine under G.S. 105-113.80(b) shipped directly to consumers pursuant to G.S. 18B-1001.1 shall be paid by the wine shipper permittee or winery. The taxes on malt beverages and wine shall be paid only once on the same beverages. The tax shall be

1 paid on or before the 15th day of the month following the month in which the beverage
2 is first sold or otherwise disposed of in this State by the wholesaler or ~~importer-~~
3 importer, or wine shipper permittee or winery. When excise taxes are paid on wine or
4 malt beverages, the wholesaler or ~~importer-importer, or wine shipper permittee or~~
5 winery shall submit to the Secretary verified reports on forms provided by the Secretary
6 detailing sales records for the month for which the taxes are paid. The report shall
7 indicate the amount of excise tax due, contain the information required by the Secretary,
8 and indicate separately any transactions to which the excise tax does not apply."

9 **SECTION 12.** G.S. 105-113.84 reads as rewritten:

10 **"§ 105-113.84. Report of resident brewery, resident winery, or nonresident**
11 **vendor.**

12 A resident brewery, resident winery, ~~and nonresident vendor-vendor, and wine~~
13 shipper permittee must file a monthly report with the Secretary. The report must list the
14 amount of beverages delivered to North Carolina wholesalers and ~~importers-importers~~
15 or purchasers under G.S. 18B-1001.1 during the month. The report is due by the 15th
16 day of the month following the month covered by the report. The report must be filed on
17 a form approved by the Secretary and must contain the information required by the
18 Secretary."

19 **SECTION 13.** G.S. 105-113.85 reads as rewritten:

20 **"§ 105-113.85. Discount.**

21 Each wholesaler or ~~importer-importer, or wine shipper permittee or winery~~ who files
22 a timely return and sends a timely payment may deduct from the amount payable a
23 discount of four percent (4%). This discount covers losses due to spoilage and breakage,
24 expenses incurred in preparing the records and reports required by this Article, and the
25 expense of furnishing a bond."

26 **SECTION 14.** G.S. 105-113.68(a) reads as rewritten:

27 **"(a) Definitions.** – As used in this Article, unless the context clearly requires
28 otherwise:

29 ...

30 **(15)** "Wine shipper permittee" means a winery that holds a wine shipper
31 permit issued by the Alcoholic Beverage Control Commission
32 pursuant to G.S. 18B-1001.1."

33 **SECTION 15.** G.S. 105-164.8(b) reads as rewritten:

34 **"(b) Mail Order Sales.** – A retailer who makes a mail order sale is engaged in
35 business in this State and is subject to the tax levied under this Article if one of the
36 following conditions is met:

- 37 (1) The retailer is a corporation engaged in business under the laws of this
38 State or a person domiciled in, a resident of, or a citizen of, this State;
- 39 (2) The retailer maintains retail establishments or offices in this State,
40 whether the mail order sales thus subject to taxation by this State result
41 from or are related in any other way to the activities of such
42 establishments or offices;
- 43 (3) The retailer has representatives in this State who solicit business or
44 transact business on behalf of the retailer, whether the mail order sales

1 thus subject to taxation by this State result from or are related in any
2 other way to such solicitation or transaction of business;

3 (4) Repealed by Session Laws 1991, c. 45, s. 16.

4 (5) The retailer, by purposefully or systematically exploiting the market
5 provided by this State by any media-assisted, media-facilitated, or
6 media-solicited means, including direct mail advertising, distribution
7 of catalogs, computer-assisted shopping, television, radio or other
8 electronic media, telephone solicitation, magazine or newspaper
9 advertisements, or other media, creates nexus with this State;

10 (6) Through compact or reciprocity with another jurisdiction of the United
11 States, that jurisdiction uses its taxing power and its jurisdiction over
12 the retailer in support of this State's taxing power; or

13 (7) The retailer consents, expressly or by implication, to the imposition of
14 the tax imposed by this Article. For purposes of this subdivision,
15 evidence that a retailer engaged in the activity described in subdivision
16 (5) shall be prima facie evidence that the retailer consents to the
17 imposition of the tax imposed by this Article.

18 (8) The retailer is a holder of a wine shipper permit issued by the
19 Alcoholic Beverage Control Commission pursuant to G.S. 18B-
20 1001.1."

21 **SECTION 16.** This act becomes effective October 1, 2003.

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

yes

EDITION No. _____

H. B. No. 1108

DATE _____

S. B. No. _____

Amendment No. _____

COMMITTEE SUBSTITUTE H1108-CSLK-13 [v. 3](to be filled in by
Principal Clerk)

Rep. MOORE
Sen.)

1 moves to amend the bill on page 4, line 23

2 () WHICH CHANGES THE TITLE

3 by _____

4 Agerson5 by rewriting the line to read:6 "North Carolina, may ship or authorize the winery
7 to ship, by common carrier, the purchased "

8 _____

9 And on page 4, line 3410 by rewriting the line to read:11 "(a) General Prohibition. — No Except as provided in12 G.S. 133-1001.4, no person shall have any alcoholic beverage
13 mailed or "

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED _____

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA HOUSE OF REPRESENTATIVES

ALCOHOLIC BEVERAGE CONTROL COMMITTEE

July 8, 2004
415-LOB

AGENDA

OPENING REMARKS

Representative John Hall, Chair

AGENDA ITEMS

SB 74 TOWNSHIP ABC ELECTIONS
 Senator Tony Rand

SB 1205 RUTHERFORDTON ABC DISTRIBUTION
 Senator Walter Dalton

SB 1347 KANNAPOLIS ABC STORE ELECTION
 Senator Fletcher Hartsell

VISITOR REGISTRATION SHEET

ALCOHOLIC BEVERAGE CONTROL

Name of Committee

7/8/04

Date/Time

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

[illegible]

MINUTES
ALCOHOLIC BEVERAGE CONTROL COMMITTEE

Thursday, July 8, 2004
Legislative Office Building, Room 415
Raleigh, North Carolina

The Alcoholic Beverage Control Committee (ABC) met at the Legislative Office Building in Room 415 on Thursday, July 8, 2004, at 4:00 pm.

The following members were in attendance: Representatives John Hall (Chair), Karen Ray (Vice-Chair), Rex Baker, Marvin Lucas, and Tim Moore. Research Division staff Brenda Carter was also present. Representative Hall called the meeting to order and introduced the House Sergeant-at-Arms Dusty Rhodes and Bill Sullivan.


SB 74, Township ABC Elections was sponsored by Senator Tony Rand. The House Proposed Committee Substitute (PCS) for SB 74 redefines the alcohol content of "fortified" and "unfortified" wines; ABC stores may continue to sell those wine products that meet the present standards for "fortified" wine. The holder of an unfortified winery permit will be authorized to sell its wine for on- or off-premises consumption at up to three other locations in the State. Unfortified wineries may also receive and sell wine produced under contract with the winery, and may sell the contract wine at affiliated retail outlets. After brief discussions on the bill, the Committee voted to give the House PCS for SB 74 a favorable report, and unfavorable to the Senate committee substitute bill. A copy of this bill and other related documents are attached and made a part of these minutes.

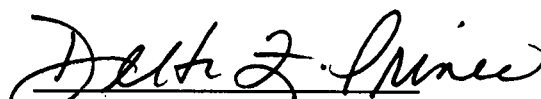
SB 1205, Rutherfordton ABC Distributions was sponsored by Senator Walter Dalton. This bill provides that the Rutherfordton Board of Alcoholic Beverage Control shall distribute net profits in accordance with a resolution adopted by the Town Council of Rutherfordton. After a brief discussion, a motion was made to accept SB 1205. The motion was accepted and the bill was given a favorable report by the Committee. A copy of this bill and other related documents are attached and made a part of these minutes.

SB 1347, Kannapolis ABC Store Election was sponsored by Senator Fletcher Hartsell. This bill allows the City of Kannapolis to hold an election on the establishment of ABC stores in the City and, if the establishment of ABC stores is approved, renames the Rowan County ABC Board the Rowan/Kannapolis ABC Board. This bill also provides for the distribution of funds and for changes in the redistribution should either Rowan County or Kannapolis subsequently vote against the operation of ABC stores. After a brief discussion on the bill, the Committee voted to give SB 1347 a favorable report. A copy of this bill and other related documents are attached and made a part of these minutes.

The Committee voted to postpone indefinitely any bills remaining in the Alcoholic Beverage Control Committee box in the House Principal Clerk's Office after July 8, 2004. The Visitor Registration sheet is attached and also made a part of these minutes.

The meeting adjourned at 4:45 pm.


Representative John D. Hall
Chairman


Delta F. Prince
Committee Assistant

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

☒ Committee Substitute for

S.B. 74 A BILL TO BE ENTITLED AN ACT TO PERMIT CERTAIN TOWNSHIP ABC ELECTIONS.

- ☐ With a favorable report.
- ☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report, as amended.
- ☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ ☐.
- ☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)
- ☒ With a favorable report as to House committee substitute bill, ☒ which changes the title, unfavorable as to Senate committee substitute bill.
- ☐ With an unfavorable report.
- ☐ With recommendation that the House concur.
- ☐ With recommendation that the House do not concur.
- ☐ With recommendation that the House do not concur; request conferees.
- ☐ With recommendation that the House concur; committee believes bill to be material.
- ☐ With an unfavorable report, with a Minority Report attached.
- ☐ Without prejudice.
- ☐ With an indefinite postponement report.
- ☐ With an indefinite postponement report, with a Minority Report attached.
- ☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

(Rule 36(a) Bill Sponsor Form)

MEMORANDUM

DATE: June 29, 2004

TO: **Senator Tony Rand**
Bill Sponsor

FROM: **Representative John Hall**
Committee Chair

3-5878
DLH

SUBJECT: **House Bill Pending in the Committee on Alcoholic Beverage Control**

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider SB 74, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

MEMORANDUM

TO: **Representative John Hall**
Committee Chair

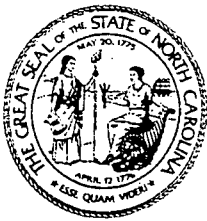
FROM: **Senator Tony Rand**
Bill Sponsor

SUBJECT: **SB 74, Township ABC Elections (Short Title)**

I request that the Committee on Alcoholic Beverage Control ~~not~~ consider SB 74. *with Committee Substitute Requested by Rep. Wilma Sherrill.*

Tony Rand
Sponsor(s) Signature

Date: to 7/1/04



SENATE BILL 74: Township ABC Elections

BILL ANALYSIS

Committee: House ABC
Date: July 8, 2004
Version: S74-CSRV-35[v.2]

Introduced by: Senator Rand
Summary by: Brenda J. Carter
Committee Counsel

SUMMARY: *This proposed committee substitute redefines the alcohol content of "fortified" and "unfortified" wines; ABC stores may continue to sell those wine products that meet the present standards for "fortified" wine. The holder of an unfortified winery permit will be authorized to sell its wine for on- or off-premises consumption at up to 3 other locations in the State. Unfortified wineries may also receive and sell wine produced under contract with the winery, and may sell the contract wine at affiliated retail outlets.*

CURRENT LAW: Under G.S. 18B-1101, the holder of an unfortified winery permit may manufacture unfortified wine and may sell, deliver and ship the wine in closed containers to licensed wholesalers. Under limited circumstances, the winery may also receive, in closed containers, unfortified wine produced outside North Carolina under the winery's label from fruits owned by the winery. The winery may ship its wine in closed containers to individual purchasers and may sell its wine at the winery. The winery may also sell its wine for on or off-premises consumption at up to three other locations in the State, upon obtaining the appropriate permit in a jurisdiction where issuance of the permit is lawful. Unfortified wine is currently defined as wine that has an alcoholic content produced only by natural fermentation or by the addition of certain sugars. Under G.S. 18B-113.80, an excise tax of twenty-one cents per liter is levied on the sale of unfortified wine.

Under G.S. 18B-1102, the holder of a fortified winery permit may manufacture, purchase, import and transport brandy and other ingredients and equipment used in the manufacture of fortified wine, and may sell, deliver and ship the wine in closed containers to licensed wholesalers. The winery may ship its wine in closed containers to individual purchasers, and with the appropriate permit may sell its wine at the winery. Fortified wine is wine made by fermentation from grapes, fruits, berries, rice or honey, and has an alcoholic content of not more than 24% alcohol by volume. Under G.S. 18B-113.80, an excise tax of twenty-four cents per liter is levied on the sale of fortified wine. Under G.S. 18B-800(b), ABC stores may sell fortified wine.

BILL ANALYSIS: *Sections 1 and 3 of the bill amend the definition of "fortified" wine to include wine of more than 16% and no more than 24% alcohol by volume. The definition of "unfortified" wine is amended to include wine of 16% or less alcohol by volume. Section 2 of the bill would authorize the holder of an unfortified winery permit to sell the wine owned by the winery for on-premises or off-premises consumption at up to three other locations in the State, without obtaining an additional permit. It would also authorize the holder of an unfortified winery permit to receive and sell at the winery unfortified wine produced under contract with the winery. The contract wine may also be sold at affiliated retail outlets of the winery located on or adjacent to the winery. Section 4 of the bill would allow ABC stores to continue to sell wine products that meet the current (July 7, 2004) definition of fortified wine. The bill would become effective October 1, 2004. Since the bill impacts the classification of wines, which determines the rate of taxation, the bill should be referred to Finance.*

S74-SMRV-001

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

S

D

SENATE BILL 74
State Government, Local Government, and Veterans' Affairs Committee
Substitute Adopted 4/29/03
PROPOSED HOUSE COMMITTEE SUBSTITUTE S74-PCS65469-LB-112

Short Title: N.C. Vineyard Amendments.

(Public)

Sponsors:

Referred to:

February 18, 2003

A BILL TO BE ENTITLED
AN ACT CONCERNING WINERY PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-101(7) and G.S. 18B-101(15) read as rewritten:

"§ 18B-101. Definitions.

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

...

(7) "Fortified wine" means ~~any wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty-four percent (24%) alcohol by volume.~~ wine, of more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.

...

(15) "Unfortified wine" means ~~any wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar. of sixteen percent (16%) or less alcohol by volume made by fermentation from pure grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry,~~

1 rice, or honey that is contained in the base wine and produced in
2 accordance with the regulations of the United States."

3 **SECTION 2.** G.S. 18B-1101(6) and G.S. 18B-1101(7) read as rewritten, and
4 a new G.S. 18B-1101(6a) is enacted, as follows:

5 **"§ 18B-1101. Authorization of unfortified winery permit.**

6 The holder of an unfortified winery permit may:

7 ...

8 (6) Sell the wine owned by the winery for on- or off-premise consumption
9 at no more than three other locations in the State, upon obtaining the
10 appropriate permit under G.S. ~~18B-1001;~~ and 18B-1001;

11 (6a) Receive, in closed containers, and sell at the winery, unfortified wine
12 produced inside or outside North Carolina under contract with the
13 winery. Such contract wine must have the winery's name clearly
14 displayed on each bottle. The contract wine may be sold also at
15 affiliated retail outlets of the winery physically located on or adjacent
16 to the winery. Any wine received by a winery under this provision
17 must be made available for sale by the winery to wholesalers for
18 distribution to retailers, without discrimination, in the same manner as
19 if the wine were being imported by the winery;

20 (7) Obtain a wine wholesaler permit to sell, deliver, and ship at wholesale
21 unfortified wine manufactured at the winery. The authorization of this
22 subdivision applies only to a winery that annually sells, to persons
23 other than exporters and nonresident wholesalers when the purchase is
24 not for resale in this State, no more than ~~300,000~~ 100,000 gallons of
25 unfortified wine manufactured by it at the winery."

26 ..."

27 **SECTION 3.** G.S. 105-113.68(a)(5) and G.S. 105-113.68(a)(12) read as
28 rewritten:

29 "(a) Definitions. – As used in this Article, unless the context clearly requires
30 otherwise:

31 ...

32 (5) ~~"Fortified wine" means a wine made by fermentation from grapes,~~
33 ~~fruits, berries, rice, or honey, to which nothing has been added other~~
34 ~~than pure brandy made from the same type of grape, fruit, berry, rice,~~
35 ~~or honey that is contained in the base wine, and which has an alcoholic~~
36 ~~content of not more than twenty four percent (24%) alcohol by~~
37 ~~volume. any wine, of more than sixteen percent (16%) and no more~~
38 than twenty-four percent (24%) alcohol by volume, made by
39 fermentation from grapes, fruits, berries, rice, or honey; or by the
40 addition of pure cane, beet, or dextrose sugar; or by the addition of
41 pure brandy from the same type of grape, fruit, berry, rice, or honey
42 that is contained in the base wine and produced in accordance with the
43 regulations of the United States.

44 ...

(12) "Unfortified wine" means ~~wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar;~~ any wine of sixteen percent (16%) or less alcohol by volume made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and produced in accordance with the regulations of the United States."

SECTION 4. G.S. 18B-800(b) reads as rewritten:

"(b) Fortified Wine. – In addition to spirituous liquor, ABC stores may sell fortified wine. ABC stores may also sell wine products, irrespective of alcohol content by volume, which were classified as fortified wine by the ABC Commission prior to July 7, 2004."

SECTION 5. This act becomes effective October 1, 2004.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

S

3

SENATE BILL 74
State Government, Local Government, and Veterans' Affairs Committee
Substitute Adopted 4/29/03
House Committee Substitute Favorable 7/9/04

Short Title: N.C. Vineyard Amendments. (Public)

Sponsors:

Referred to:

February 18, 2003

A BILL TO BE ENTITLED
AN ACT CONCERNING WINERY PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-101(7) and G.S. 18B-101(15) read as rewritten:
"§ 18B-101. Definitions.

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

...

(7) "Fortified wine" means ~~any wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty four percent (24%) alcohol by volume.~~ wine, of more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.

...

(15) "Unfortified wine" means ~~any wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar. of sixteen percent (16%) or less alcohol by volume made by fermentation from pure grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry,~~

1 rice, or honey that is contained in the base wine and produced in
2 accordance with the regulations of the United States."

3 **SECTION 2.** G.S. 18B-1101(6) and G.S. 18B-1101(7) read as rewritten, and
4 a new G.S. 18B-1101(6a) is enacted, as follows:

5 **"§ 18B-1101. Authorization of unfortified winery permit.**

6 The holder of an unfortified winery permit may:

7 ...

8 (6) Sell the wine owned by the winery for on- or off-premise consumption
9 at no more than three other locations in the State, upon obtaining the
10 appropriate permit under G.S. ~~18B-1001~~; and 18B-1001;

11 (6a) Receive, in closed containers, and sell at the winery, unfortified wine
12 produced inside or outside North Carolina under contract with the
13 winery. Such contract wine must have the winery's name clearly
14 displayed on each bottle. The contract wine may be sold also at
15 affiliated retail outlets of the winery physically located on or adjacent
16 to the winery. Any wine received by a winery under this provision
17 must be made available for sale by the winery to wholesalers for
18 distribution to retailers, without discrimination, in the same manner as
19 if the wine were being imported by the winery;

20 (7) Obtain a wine wholesaler permit to sell, deliver, and ship at wholesale
21 unfortified wine manufactured at the winery. The authorization of this
22 subdivision applies only to a winery that annually sells, to persons
23 other than exporters and nonresident wholesalers when the purchase is
24 not for resale in this State, no more than ~~300,000~~ 100,000 gallons of
25 unfortified wine manufactured by it at the winery."

26 ..."

27 **SECTION 3.** G.S. 105-113.68(a)(5) and G.S. 105-113.68(a)(12) read as
28 rewritten:

29 "(a) Definitions. – As used in this Article, unless the context clearly requires
30 otherwise:

31 ...

32 (5) ~~"Fortified wine" means a wine made by fermentation from grapes,~~
33 ~~fruits, berries, rice, or honey, to which nothing has been added other~~
34 ~~than pure brandy made from the same type of grape, fruit, berry, rice,~~
35 ~~or honey that is contained in the base wine, and which has an alcoholic~~
36 ~~content of not more than twenty-four percent (24%) alcohol by~~
37 ~~volume. any wine, of more than sixteen percent (16%) and no more~~
38 than twenty-four percent (24%) alcohol by volume, made by
39 fermentation from grapes, fruits, berries, rice, or honey; or by the
40 addition of pure cane, beet, or dextrose sugar; or by the addition of
41 pure brandy from the same type of grape, fruit, berry, rice, or honey
42 that is contained in the base wine and produced in accordance with the
43 regulations of the United States.

44 ...

1 (12) "Unfortified wine" means ~~wine that has an alcoholic content produced~~
2 ~~only by natural fermentation or by the addition of pure cane, beet, or~~
3 ~~dextrose sugar. any wine of sixteen percent (16%) or less alcohol by~~
4 ~~volume made by fermentation from grapes, fruits, berries, rice, or~~
5 ~~honey; or by the addition of pure cane, beet, or dextrose sugar; or by~~
6 ~~the addition of pure brandy from the same type of grape, fruit, berry,~~
7 ~~rice, or honey that is contained in the base wine, and produced in~~
8 ~~accordance with the regulations of the United States."~~

9 SECTION 4. G.S. 18B-800(b) reads as rewritten:

10 "(b) Fortified Wine. – In addition to spirituous liquor, ABC stores may sell
11 fortified wine. ABC stores may also sell wine products, irrespective of alcohol content
12 by volume, which were classified as fortified wine by the ABC Commission prior to
13 July 7, 2004."

14 SECTION 5. This act becomes effective October 1, 2004.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

SENATE BILL 74
RATIFIED BILL

AN ACT CONCERNING WINERY PERMITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-101(7) and G.S. 18B-101(15) read as rewritten:

"§ 18B-101. Definitions.

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

- (7) "Fortified wine" means any wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty-four percent (24%) alcohol by volume, wine, of more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.
- (15) "Unfortified wine" means any wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar, of sixteen percent (16%) or less alcohol by volume made by fermentation from pure grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States."

SECTION 2. G.S. 18B-1101(6) and G.S. 18B-1101(7) read as rewritten, and a new G.S. 18B-1101(6a) is enacted, as follows:

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

The holder of an unfortified winery permit may:

- (6) Sell the wine owned by the winery for on- or off-premise consumption at no more than three other locations in the State, upon obtaining the appropriate permit under G.S. ~~18B-1001~~; and 18B-1001;
- (6a) Receive, in closed containers, and sell at the winery, unfortified wine produced inside or outside North Carolina under contract with the winery. Such contract wine must have the winery's name clearly displayed on each bottle. The contract wine may be sold also at affiliated retail outlets of the winery physically located on or adjacent to the winery. Any wine received by a winery under this provision must be made available for sale by the winery to wholesalers for distribution to retailers, without discrimination, in the same manner as if the wine were being imported by the winery;

- (7) Obtain a wine wholesaler permit to sell, deliver, and ship at wholesale unfortified wine manufactured at the winery. The authorization of this subdivision applies only to a winery that annually sells, to persons other than exporters and nonresident wholesalers when the purchase is not for resale in this State, no more than ~~300,000~~ 100,000 gallons of unfortified wine manufactured by it at the winery."

SECTION 3. G.S. 105-113.68(a)(5) and G.S. 105-113.68(a)(12) read as rewritten:

"(a) Definitions. – As used in this Article, unless the context clearly requires otherwise:

- (5) "~~Fortified wine" means a wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty four percent (24%) alcohol by volume.~~ any wine, of more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.

- (12) "~~Unfortified wine" means wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar.~~ any wine of sixteen percent (16%) or less alcohol by volume made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and produced in accordance with the regulations of the United States."

SECTION 4. G.S. 18B-800(b) reads as rewritten:

"(b) Fortified Wine. – In addition to spirituous liquor, ABC stores may sell fortified wine. ABC stores may also sell wine products, irrespective of alcohol content by volume, which were classified as fortified wine by the ABC Commission prior to July 7, 2004."

SECTION 5. This act becomes effective October 1, 2004.
In the General Assembly read three times and ratified this the 17th day of July, 2004.

BEVERLY E. PERDUE

Beverly E. Perdue
President of the Senate

JAMES B. BLACK

James B. Black
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____ .m. this _____ day of _____, 2004

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

☒ Committee Substitute for

S.B. 1205 A BILL TO BE ENTITLED AN ACT TO MODIFY THE DISTRIBUTIONS FROM THE TOWN OF RUTHERFORDTON BOARD OF ALCOHOLIC BEVERAGE CONTROL.

☒ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐.

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐.

☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

(Rule 36(a) Bill Sponsor Form)**MEMORANDUM**

DATE: July 8, 2004

TO: **Senator Walter Dalton**
Bill Sponsor

FROM: **Representative John Hall**
Committee Chair

SUBJECT: **House Bill Pending in the Committee on Alcoholic Beverage Control**

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider **SB 1205**, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

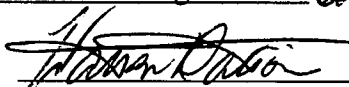
MEMORANDUM

TO: **Representative John Hall**
Committee Chair

FROM: **Senator Walter Dalton**
Bill Sponsor

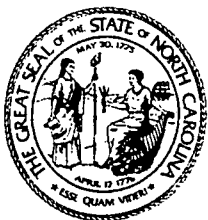
SUBJECT: **SB 1205, Rutherfordton ABC Distributions (Short Title)**

I request that the Committee on Alcoholic Beverage Control ~~not~~ consider SB 1205.



Sponsor(s) Signature

Date: 7/8/04



SENATE BILL 1205: Rutherfordton ABC Distributions

BILL ANALYSIS

Committee: House ABC
Date: July 8, 2004
Version: 2nd Edition

Introduced by: Senator Dalton
Summary by: Brenda J. Carter
Committee Counsel

SUMMARY: *Senate Bill 1205 provides that the Rutherfordton Board of Alcoholic Beverage Control shall distribute net profits in accordance with a resolution adopted by the Town Council of Rutherfordton.*

CURRENT LAW: G.S. 18B-805 provides for the distribution of revenue of local ABC boards from the sale of alcoholic beverages and other sources. After making specified statutory distributions the local board is required to pay the remaining receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law.

S.L. 2002-65 amended the Charter of the Town of Rutherfordton to provide for the following distribution of net profits by the Rutherfordton Board of Alcoholic Beverage Control:

Rutherford County Department of Mental Health	5%
Rutherford County Board of Education for Rutherfordton-Spindale High School	11%
Rutherford County Board of Education for Rutherfordton Elementary School	5.5%
Rutherford County Board of Education for Rutherfordton-Spindale Middle School	5.5%
Rutherford County Board of Education for Rutherford Opportunity Center	3%
Town of Rutherfordton Parks and Recreation Commission	20%
Town Council of Rutherfordton for law enforcement	25%
Town Council of Rutherfordton for any lawful purpose	25%

BILL ANALYSIS: Senate Bill 1205 amends Section 5.4 of the Charter of the Town of Rutherfordton as amended by Section 1 of S.L. 2002-65. The bill requires the Rutherfordton Board of Alcoholic Beverage Control to distribute net profits from the operation of alcoholic beverage control store(s) in accordance with a resolution duly adopted by the Town Council of Rutherfordton. It further provides that copies of the governing body resolutions detailing the distribution formula be submitted to the N.C. Alcoholic Beverage Control Commission for review and audit purposes.

The act would be effective when it becomes law.

S1205-SMRV-002

**Theresa Matula, Legislative Analyst, substantially contributed to this summary*

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

S

2

SENATE BILL 1205
State Government, Local Government, and Veterans' Affairs Committee
Substitute Adopted 6/28/04

Short Title: Rutherfordton ABC Distributions.

(Local)

Sponsors:

Referred to:

May 20, 2004

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE DISTRIBUTIONS FROM THE TOWN OF
RUTHERFORDTON BOARD OF ALCOHOLIC BEVERAGE CONTROL.

The General Assembly of North Carolina enacts:

SECTION 1. Section 5.4 of the Charter of the Town of Rutherfordton, as amended by Section 1 of S.L. 2002-65, reads as rewritten:

"Section 5.4. Alcoholic Beverage Control Stores. A. The governing body of the Town of Rutherfordton may, on its own motion, and shall, upon receipt of petition signed by qualified voters of the Town equal in number to fifteen percent (15%) of the votes cast for Mayor in the most recent regular town election, call and conduct a special election in the Town upon the question of whether Alcoholic Beverage Control stores shall be established in the Town and/or whether 'off-premises' sales of malt beverages shall be permitted. Such election or elections may be held notwithstanding the provisions of G.S. 18A-52(d)(h) and (i). No new registration of voters shall be necessary for such special election, and all qualified voters of the town who are registered prior to the registration period for such special election, and all who register during such period shall be eligible and entitled to vote in such special election. Except as otherwise provided herein, if a special election is called, the special election authorized shall be conducted under the same statutes, rules and regulations applicable to general elections for the Town of Rutherfordton. The governing body shall cause public notice of any such special election to be posted at the Town Hall and published in a newspaper having general circulation in the town at least 15 days preceding the day of the election.

B. At such special election, ballots shall be provided which contain the words, 'For Town Alcoholic Beverage Control Stores' and 'Against Town Alcoholic Beverage Control Stores' and/or, 'For off-premises sales of malt beverages' and 'Against off-premises sales of malt beverages'. The Town Council shall determine whether both questions are to be included on the same ballot or separate ballots. Appropriate squares

1 shall be printed to the left of each phrase so that each voter may designate with an 'X'
2 his preference. The cost of conducting the election shall be appropriated from the
3 General Fund of the Town of Rutherfordton.

4 C. If a majority of the votes cast at any such special election authorized under
5 this section shall be cast 'For Town Alcoholic Beverage Control Stores' then it shall
6 thereafter be lawful for such store or stores to be established and operated within the
7 town, and the Town Council will then immediately create and appoint the Town of
8 Rutherfordton Alcoholic Beverage Control Board, to be composed of a chairman and
9 two other members. The member designated chairman by the Town Council shall serve
10 for a term of three years; one member for a term of two years; and one member for a
11 term of one year. After serving the initial terms, successors shall be appointed for terms
12 of three years. Any vacancy on such board shall be filled by the Town Council for the
13 unexpired term. Compensation of the members of the Board shall be fixed by the Town
14 Council. If a majority of the votes cast in any such election authorized under this section
15 shall be cast 'For off-premises sales of malt beverages' then the off-premises sale of malt
16 beverages shall thereafter be lawful in the Town of Rutherfordton.

17 D. The Town of Rutherfordton Alcoholic Beverage Control Board shall have all
18 the powers granted to, and duties imposed upon, county alcoholic control boards by
19 G.S. 18A-17, except that G.S. 18A-17 (14) shall not apply to the Rutherfordton
20 Board of Alcoholic Beverage Control, and shall be subject to the powers and authority
21 of the State Board of Alcoholic Beverage Control as granted by G.S. 18A-15; provided,
22 however, that the location of stores and the purchase or lease of real property shall be
23 subject to the approval of the Town Council.

24 The Rutherfordton Board of Alcoholic Beverage Control on a quarterly basis shall,
25 after retaining a sufficient and proper working capital and making payment of salaries
26 and expenses, distribute the net profits out of the operation of said alcoholic beverage
27 control store(s) in accordance with a resolution duly adopted by the Town Council of
28 Rutherfordton, the following manner, and none other:

29 ~~Five percent (5%) to the Rutherford County Department of Mental Health to be~~
30 ~~specifically used for alcohol and drug rehabilitation programs.~~

31 ~~Eleven percent (11%) to the Rutherford County Board of Education for specific use~~
32 ~~in meeting capital outlay needs at Rutherfordton Spindale High School.~~

33 ~~Five and one-half percent (5.5%) to the Rutherford County Board of Education for~~
34 ~~specific use in meeting the capital outlay needs at Rutherfordton Elementary School.~~

35 ~~Five and one-half percent (5.5%) to the Rutherford County Board of Education for~~
36 ~~specific use in meeting the capital outlay needs at Rutherfordton Spindale Middle~~
37 ~~School.~~

38 ~~Three percent (3%) to the Rutherford County Board of Education for specific use in~~
39 ~~meeting the capital outlay needs of Rutherford Opportunity Center.~~

40 ~~Twenty percent (20%) to the Town of Rutherfordton Parks and Recreation~~
41 ~~Commission to be used for capital improvements, maintenance and programs in its~~
42 ~~Recreational activities.~~

43 ~~Twenty-five percent (25%) to the Town Council of Rutherfordton for use in law~~
44 ~~enforcement through the Town Police Department.~~

~~Twenty five percent (25%) to the Town Council of Rutherfordton to be used for any lawful purposes the board may deem necessary and essential.~~

Copies of the governing body resolutions detailing the distribution formula shall be submitted to the North Carolina Alcoholic Beverage Control Commission for review and audit purposes.

All agencies outside of the government of the Town of Rutherfordton which receive net proceeds from the Town Alcoholic Beverage Control Board, shall be required to file an annual report to the Town Council, specifying how all proceeds were expended.

E. Subsequent elections on Alcoholic Beverage Control stores or off-premises sales of malt beverages shall not be held within two years of any previous election on the question, provided an election on one question shall not prevent an election on the other question.

If a subsequent election is held and the majority of the votes are cast 'Against Town Alcoholic Beverage Control Stores' the Town of Rutherfordton Alcoholic Beverage Control Board shall, within three months of certification of such election, dispose of all alcoholic beverages on hand and all of the assets under the control of said board, and convert the same into cash and turn the same over to the Town Treasurer. If a subsequent election is held and the majority of the votes are cast 'Against off-premises sales of malt beverages' then the off-premises sale of malt beverages shall cease to be lawful in the Town of Rutherfordton."

SECTION 2. This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2004-90
SENATE BILL 1205**

**AN ACT TO MODIFY THE DISTRIBUTIONS FROM THE TOWN OF
RUTHERFORDTON BOARD OF ALCOHOLIC BEVERAGE CONTROL.**

The General Assembly of North Carolina enacts:

SECTION 1. Section 5.4 of the Charter of the Town of Rutherfordton, as amended by Section 1 of S.L. 2002-65, reads as rewritten:

"Section 5.4. Alcoholic Beverage Control Stores. A. The governing body of the Town of Rutherfordton may, on its own motion, and shall, upon receipt of petition signed by qualified voters of the Town equal in number to fifteen percent (15%) of the votes cast for Mayor in the most recent regular town election, call and conduct a special election in the Town upon the question of whether Alcoholic Beverage Control stores shall be established in the Town and/or whether 'off-premises' sales of malt beverages shall be permitted. Such election or elections may be held notwithstanding the provisions of G.S. 18A-52(d)(h) and (i). No new registration of voters shall be necessary for such special election, and all qualified voters of the town who are registered prior to the registration period for such special election, and all who register during such period shall be eligible and entitled to vote in such special election. Except as otherwise provided herein, if a special election is called, the special election authorized shall be conducted under the same statutes, rules and regulations applicable to general elections for the Town of Rutherfordton. The governing body shall cause public notice of any such special election to be posted at the Town Hall and published in a newspaper having general circulation in the town at least 15 days preceding the day of the election.

B. At such special election, ballots shall be provided which contain the words, 'For Town Alcoholic Beverage Control Stores' and 'Against Town Alcoholic Beverage Control Stores' and/or, 'For off-premises sales of malt beverages' and 'Against off-premises sales of malt beverages'. The Town Council shall determine whether both questions are to be included on the same ballot or separate ballots. Appropriate squares shall be printed to the left of each phrase so that each voter may designate with an 'X' his preference. The cost of conducting the election shall be appropriated from the General Fund of the Town of Rutherfordton.

C. If a majority of the votes cast at any such special election authorized under this section shall be cast 'For Town Alcoholic Beverage Control Stores' then it shall thereafter be lawful for such store or stores to be established and operated within the town, and the Town Council will then immediately create and appoint the Town of Rutherfordton Alcoholic Beverage Control Board, to be composed of a chairman and two other members. The member designated chairman by the Town Council shall serve for a term of three years; one member for a term of two years; and one member for a term of one year. After serving the initial terms, successors shall be appointed for terms of three years. Any vacancy on such board shall be filled by the Town Council for the unexpired term. Compensation of the members of the Board shall be fixed by the Town Council. If a majority of the votes cast in any such election authorized under this section shall be cast 'For off-premises sales of malt beverages' then the off-premises sale of malt beverages shall thereafter be lawful in the Town of Rutherfordton.

D. The Town of Rutherfordton Alcoholic Beverage Control Board shall have all the powers granted to, and duties imposed upon, county alcoholic control boards by G.S. 18A-17, except that G.S. 18A-17 (14) shall not apply to the Rutherfordton Board of Alcoholic Beverage Control, and shall be subject to the powers and authority of the State Board of Alcoholic Beverage Control as granted by G.S. 18A-15; provided, however, that the location of stores and the purchase or lease of real property shall be subject to the approval of the Town Council.

The Rutherfordton Board of Alcoholic Beverage Control on a quarterly basis shall, after retaining a sufficient and proper working capital and making payment of salaries and expenses, distribute the net profits out of the operation of said alcoholic beverage control store(s) in accordance with a resolution duly adopted by the Town Council of Rutherfordton, the following manner, and none other:

~~Five percent (5%) to the Rutherford County Department of Mental Health to be specifically used for alcohol and drug rehabilitation programs.~~

~~Eleven percent (11%) to the Rutherford County Board of Education for specific use in meeting capital outlay needs at Rutherfordton Spindale High School.~~

~~Five and one half percent (5.5%) to the Rutherford County Board of Education for specific use in meeting the capital outlay needs at Rutherfordton Elementary School.~~

~~Five and one half percent (5.5%) to the Rutherford County Board of Education for specific use in meeting the capital outlay needs at Rutherfordton Spindale Middle School.~~

~~Three percent (3%) to the Rutherford County Board of Education for specific use in meeting the capital outlay needs of Rutherford Opportunity Center.~~

~~Twenty percent (20%) to the Town of Rutherfordton Parks and Recreation Commission to be used for capital improvements, maintenance and programs in its Recreational activities.~~

~~Twenty five percent (25%) to the Town Council of Rutherfordton for use in law enforcement through the Town Police Department.~~

~~Twenty five percent (25%) to the Town Council of Rutherfordton to be used for any lawful purposes the board may deem necessary and essential.~~

Copies of the governing body resolutions detailing the distribution formula shall be submitted to the North Carolina Alcoholic Beverage Control Commission for review and audit purposes.

All agencies outside of the government of the Town of Rutherfordton which receive net proceeds from the Town Alcoholic Beverage Control Board, shall be required to file an annual report to the Town Council, specifying how all proceeds were expended.

E. Subsequent elections on Alcoholic Beverage Control stores or off-premises sales of malt beverages shall not be held within two years of any previous election on the question, provided an election on one question shall not prevent an election on the other question.

If a subsequent election is held and the majority of the votes are cast 'Against Town Alcoholic Beverage Control Stores' the Town of Rutherfordton Alcoholic Beverage Control Board shall, within three months of certification of such election, dispose of all alcoholic beverages on hand and all of the assets under the control of said board, and convert the same into cash and turn the same over to the Town Treasurer. If a subsequent election is held and the majority of the votes are cast 'Against off-premises sales of malt beverages' then the off-premises sale of malt beverages shall cease to be lawful in the Town of Rutherfordton."

SECTION 2. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 13th day of
July, 2004.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

**2003 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative **John Hall** (Chair) for the Committee on **ALCOHOLIC BEVERAGE CONTROL**.

☐ Committee Substitute for

S.B. 1347 A BILL TO BE ENTITLED AN ACT AUTHORIZING THE CITY OF KANNAPOLIS TO HOLD A REFERENDUM ON THE OPERATION OF ABC STORES AS PART OF THE ROWAN COUNTY ABC SYSTEM, AND TO SPECIFY HOW PROFITS FROM THOSE STORES SHALL BE DISTRIBUTED.

☒ With a favorable report.

☐ With a favorable report and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ .

☐ With a favorable report, as amended.

☐ With a favorable report, as amended, and recommendation that the bill be re-referred to the Committee on Appropriations ☐ Finance ☐ .

☐ With a favorable report as to the committee substitute bill (#), ☐ which changes the title, unfavorable as to (the original bill) (Committee Substitute Bill #), (and recommendation that the committee substitute bill #) be re-referred to the Committee on .)

☐ With a favorable report as to House committee substitute bill (#), ☐ which changes the title, unfavorable as to Senate committee substitute bill.

☐ With an unfavorable report.

☐ With recommendation that the House concur.

☐ With recommendation that the House do not concur.

☐ With recommendation that the House do not concur; request conferees.

☐ With recommendation that the House concur; committee believes bill to be material.

☐ With an unfavorable report, with a Minority Report attached.

☐ Without prejudice.

☐ With an indefinite postponement report.

☐ With an indefinite postponement report, with a Minority Report attached.

☐ With recommendation that it be adopted. (HOUSE RESOLUTION ONLY)

03/19/03

(Rule 36(a) Bill Sponsor Form)**MEMORANDUM**

DATE: June 29, 2004

TO: Senator Fletcher Hartsell
Bill Sponsor

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider SB 1347, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

MEMORANDUM

TO: Representative John Hall
Committee Chair

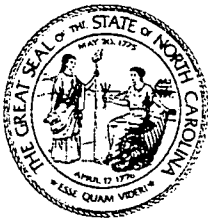
FROM: Senator Fletcher Hartsell
Bill Sponsor

SUBJECT: SB 1347, Kannapolis ABC Store Election (Short Title)

I request that the Committee on Alcoholic Beverage Control ²⁴¹ consider SB 1347.


Sponsor(s) Signature

Date: 30 June 2004



SENATE BILL 1347: Kannapolis ABC Store Election

BILL ANALYSIS

Committee: House ABC
Date: July 8, 2004
Version: First Edition

Introduced by: Senator Hartsell
Summary by: Susan L. Sitze*
Committee Counsel

SUMMARY:

Senate Bill 1347 allows the City of Kannapolis to hold an election on the establishment of ABC stores in the City and, if the establishment of ABC stores is approved, renames the Rowan County ABC Board the Rowan/Kannapolis ABC Board. The bill also provides for the distribution of funds and for changes in the redistribution should either Rowan County or Kannapolis subsequently vote against the operation of ABC stores.

BILL ANALYSIS:

The City of Kannapolis is located in two counties, Rowan and Cabarrus. Cabarrus County is dry. Rowan County operates ABC stores. As a result, there are ABC stores located in that portion of Kannapolis that lies in Rowan County.

G.S. 18B-601 provides for those places eligible to hold alcoholic beverage elections. Subsection (e4) deals with multicounty/city elections. That subsection, however, only provides for malt beverage and unfortified wine elections or mixed beverage elections. It does not provide for ABC store elections.

Sections 1, 2 and 3 of the bill provide for the referendum on the operation of ABC stores. Section 4 provides for the renaming of the board as the Rowan/Kannapolis ABC Board and provides that the terms of the current members of the Board shall not be affected by the act. Rowan County shall continue to appoint 3 members under the current schedule.

Section 5 provides for the distribution of the receipts after the statutory distributions required by G.S. 18B-805 (a) through (d) are made: 40% to Rowan County, 22 1/2% to Salisbury, 22 1/2% to Kannapolis and 15% to the other municipalities in Rowan County. Section 6 provides that the governing bodies of the units receiving revenue from the Board may vote to alter the distribution of the revenue. If Rowan County, Salisbury and Kannapolis agree, they may alter the distribution of 85 % of the revenues. Section 7b allows the use of the funds for any proper governmental function.

Sections 7a and 8 provide for distributions of the funds should either Kannapolis or Rowan County elect not to operate ABC stores. Section 9 provides that the act shall not affect the issuance of ABC permits in other portions of Cabarrus or Rowan counties. Section 10 provides that, except for the provisions of the act, Chapter 18B applies to the operation of ABC stores in Rowan County and Kannapolis. Section 11 repeals a number of older local laws dealing with the distribution of ABC revenues in Rowan County. The act is effective when it becomes law.

*Prepared from a summary originally by Barbara Riley, Staff Attorney

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

S

1

SENATE BILL 1347

Short Title: Kannapolis ABC Store Election.

(Local)

Sponsors: Senator Hartsell.

Referred to: State Government, Local Government, and Veterans' Affairs.

May 27, 2004

1 A BILL TO BE ENTITLED
2 AN ACT AUTHORIZING THE CITY OF KANNAPOLIS TO HOLD A
3 REFERENDUM ON THE OPERATION OF ABC STORES AS PART OF THE
4 ROWAN COUNTY ABC SYSTEM, AND TO SPECIFY HOW PROFITS FROM
5 THOSE STORES SHALL BE DISTRIBUTED.
6 The General Assembly of North Carolina enacts:
7 **SECTION 1.** Notwithstanding any other provision of law, the City of
8 Kannapolis may hold an election on the establishment of ABC stores pursuant to
9 G.S. 18B-600(d). The call for the election, and the procedure for conducting it, shall be
10 in accordance with G.S. 18B-601. All registered voters in the City of Kannapolis shall
11 be eligible to vote in the election.
12 **SECTION 2.** If an election is called, the ballot shall state the proposition as
13 follows:
14 "[] FOR [] AGAINST
15 To permit the operation of ABC stores throughout Kannapolis by the Rowan
16 County ABC system."
17 **SECTION 3.** If an election is held pursuant to this act, and if a majority of
18 the voters voting in the election vote in favor of the operation of ABC stores in the City
19 of Kannapolis, then the stores shall be established and operated by the
20 Rowan/Kannapolis ABC Board as provided in Section 4 of this act.
21 **SECTION 4.** If an election is held pursuant to this act and the operation of
22 ABC stores in the City of Kannapolis is approved, the Rowan County ABC Board shall
23 be renamed the Rowan/Kannapolis ABC Board. The terms of the current members of
24 the Rowan County ABC Board shall not be affected by this act, and the Rowan County
25 Board of Commissioners shall continue to appoint three members for staggered,
26 three-year terms on the same schedule as is now followed.
27 **SECTION 5.** After the distribution of the portion of the gross receipts
28 required by G.S. 18B-805(a) through (d), the Rowan/Kannapolis ABC Board shall
29 distribute the remaining receipts as follows:

- (1) Forty percent (40%) shall be paid to Rowan County.
- (2) Twenty-two and one-half percent (22½%) shall be paid to the City of Salisbury.
- (3) Twenty-two and one-half percent (22½%) shall be paid to the City of Kannapolis.
- (4) The remaining fifteen percent (15%) shall be distributed to the other incorporated municipalities in Rowan County with each municipality receiving a percentage equal to the proportion of its census population to the total census population of all of the municipalities receiving funds under this subdivision.

SECTION 6. As provided in G.S. 18B-805(e), the governing bodies of the entities receiving revenue from the Rowan/Kannapolis ABC Board may agree upon a different distribution of those funds, subject to the following:

- (1) If all the affected governmental entities agree, the distribution may be altered in any manner they choose.
- (2) Rowan County, the City of Salisbury, and the City of Kannapolis may agree by themselves to a different division of eighty-five percent (85%) of the distribution which goes to those three local governments.

SECTION 7.(a) If the operation of ABC stores in Kannapolis is approved pursuant to this act, and the Rowan/Kannapolis ABC Board is established but subsequently the City of Kannapolis votes against the operation of ABC stores, the board shall be renamed the Rowan County ABC Board and shall operate ABC stores in Rowan County, including the Rowan County portion of the City of Kannapolis, as it did before the establishment of the additional stores in the City of Kannapolis started pursuant to this act. Should that occur, the gross receipts from the operation of the ABC stores, after the distributions required by G.S. 18B-805(a) through (d) shall be as follows:

- (1) Fifty percent (50%) shall be paid to Rowan County.
- (2) Thirty percent (30%) shall be paid to the City of Salisbury.
- (3) The remaining twenty percent (20%) shall be distributed to the other incorporated municipalities in Rowan County with each municipality receiving a percentage equal to the proportion of its census population to the total census population of all of the municipalities receiving funds under this subdivision.

SECTION 7.(b) The governmental entities receiving revenue from the Rowan County ABC Board may spend those funds for any proper governmental function. As provided in G.S. 18B-805(e), the governing bodies of those entities may agree to a different distribution of the revenues.

SECTION 8. If the operation of ABC stores in the City of Kannapolis is approved pursuant to this act, but subsequently Rowan County votes against the operation of ABC stores, the board shall be renamed the Kannapolis ABC Board. The Kannapolis ABC Board shall be appointed and shall operate as provided in Chapter 18B of the General Statutes and shall be authorized to operate ABC stores in the entire City of Kannapolis.

1 **SECTION 9.** Notwithstanding the provisions of G.S. 18B-603(c)(3) and any
2 similar provision of the General Statutes, a vote in favor of ABC stores in the City of
3 Kannapolis pursuant to this act shall not affect the issuance of ABC permits in any other
4 portion of Cabarrus or Rowan counties.

5 **SECTION 10.** Except as otherwise provided in this act, the operation of
6 ABC stores in Rowan County and the City of Kannapolis shall be governed by the
7 provisions of Chapter 18B of the General Statutes.

8 **SECTION 11.** The following acts are repealed:

- 9 (1) Chapter 585 of the Public-Local Laws of 1937.
10 (2) Chapter 650 of the Session Laws of 1947.
11 (3) Chapter 461 of the Session Laws of 1951.
12 (4) Chapter 830 of the Session Laws of 1955.
13 (5) Chapter 1093 of the Session Laws of 1959.

14 **SECTION 12.** This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2004-92
SENATE BILL 1347**

**AN ACT AUTHORIZING THE CITY OF KANNAPOLIS TO HOLD A
REFERENDUM ON THE OPERATION OF ABC STORES AS PART OF THE
ROWAN COUNTY ABC SYSTEM, AND TO SPECIFY HOW PROFITS FROM
THOSE STORES SHALL BE DISTRIBUTED.**

The General Assembly of North Carolina enacts:

SECTION 1. Notwithstanding any other provision of law, the City of Kannapolis may hold an election on the establishment of ABC stores pursuant to G.S. 18B-600(d). The call for the election, and the procedure for conducting it, shall be in accordance with G.S. 18B-601. All registered voters in the City of Kannapolis shall be eligible to vote in the election.

SECTION 2. If an election is called, the ballot shall state the proposition as follows:

"[] FOR [] AGAINST

To permit the operation of ABC stores throughout Kannapolis by the Rowan County ABC system."

SECTION 3. If an election is held pursuant to this act, and if a majority of the voters voting in the election vote in favor of the operation of ABC stores in the City of Kannapolis, then the stores shall be established and operated by the Rowan/Kannapolis ABC Board as provided in Section 4 of this act.

SECTION 4. If an election is held pursuant to this act and the operation of ABC stores in the City of Kannapolis is approved, the Rowan County ABC Board shall be renamed the Rowan/Kannapolis ABC Board. The terms of the current members of the Rowan County ABC Board shall not be affected by this act, and the Rowan County Board of Commissioners shall continue to appoint three members for staggered, three-year terms on the same schedule as is now followed.

SECTION 5. After the distribution of the portion of the gross receipts required by G.S. 18B-805(a) through (d), the Rowan/Kannapolis ABC Board shall distribute the remaining receipts as follows:

- (1) Forty percent (40%) shall be paid to Rowan County.
- (2) Twenty-two and one-half percent (22½%) shall be paid to the City of Salisbury.
- (3) Twenty-two and one-half percent (22½%) shall be paid to the City of Kannapolis.
- (4) The remaining fifteen percent (15%) shall be distributed to the other incorporated municipalities in Rowan County with each municipality receiving a percentage equal to the proportion of its census population to the total census population of all of the municipalities receiving funds under this subdivision.

SECTION 6. As provided in G.S. 18B-805(e), the governing bodies of the entities receiving revenue from the Rowan/Kannapolis ABC Board may agree upon a different distribution of those funds, subject to the following:

- (1) If all the affected governmental entities agree, the distribution may be altered in any manner they choose.

- (2) Rowan County, the City of Salisbury, and the City of Kannapolis may agree by themselves to a different division of eighty-five percent (85%) of the distribution which goes to those three local governments.

SECTION 7.(a) If the operation of ABC stores in Kannapolis is approved pursuant to this act, and the Rowan/Kannapolis ABC Board is established but subsequently the City of Kannapolis votes against the operation of ABC stores, the board shall be renamed the Rowan County ABC Board and shall operate ABC stores in Rowan County, including the Rowan County portion of the City of Kannapolis, as it did before the establishment of the additional stores in the City of Kannapolis started pursuant to this act. Should that occur, the gross receipts from the operation of the ABC stores, after the distributions required by G.S. 18B-805(a) through (d) shall be as follows:

- (1) Fifty percent (50%) shall be paid to Rowan County.
- (2) Thirty percent (30%) shall be paid to the City of Salisbury.
- (3) The remaining twenty percent (20%) shall be distributed to the other incorporated municipalities in Rowan County with each municipality receiving a percentage equal to the proportion of its census population to the total census population of all of the municipalities receiving funds under this subdivision.

SECTION 7.(b) The governmental entities receiving revenue from the Rowan County ABC Board may spend those funds for any proper governmental function. As provided in G.S. 18B-805(e), the governing bodies of those entities may agree to a different distribution of the revenues.

SECTION 8. If the operation of ABC stores in the City of Kannapolis is approved pursuant to this act, but subsequently Rowan County votes against the operation of ABC stores, the board shall be renamed the Kannapolis ABC Board. The Kannapolis ABC Board shall be appointed and shall operate as provided in Chapter 18B of the General Statutes and shall be authorized to operate ABC stores in the entire City of Kannapolis.

SECTION 9. Notwithstanding the provisions of G.S. 18B-603(c)(3) and any similar provision of the General Statutes, a vote in favor of ABC stores in the City of Kannapolis pursuant to this act shall not affect the issuance of ABC permits in any other portion of Cabarrus or Rowan counties.

SECTION 10. Except as otherwise provided in this act, the operation of ABC stores in Rowan County and the City of Kannapolis shall be governed by the provisions of Chapter 18B of the General Statutes.

SECTION 11. The following acts are repealed:

- (1) Chapter 585 of the Public-Local Laws of 1937.
- (2) Chapter 650 of the Session Laws of 1947.
- (3) Chapter 461 of the Session Laws of 1951.
- (4) Chapter 830 of the Session Laws of 1955.
- (5) Chapter 1093 of the Session Laws of 1959.

SECTION 12. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 13th day of July,
2004.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

440
C

(Rule 36(a) Bill Sponsor Form)

MEMORANDUM

DATE: July 6, 2004

TO: Representative Paul Miller
Bill Sponsor

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 16, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

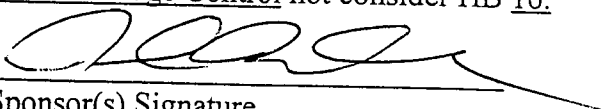
MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representative Paul Miller
Bill Sponsor

SUBJECT: HB 16, ABC Permits in State Development Zones (Short Title)

I request that the Committee on Alcoholic Beverage Control not consider HB 16.


Sponsor(s) Signature

Date: 7/6/2004

358
C

MEMORANDUM

(Rule 36(a) Bill Sponsor Form)

DATE: June 29, 2004

TO: Representative Thomas Wright
Bill Sponsor

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 250, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

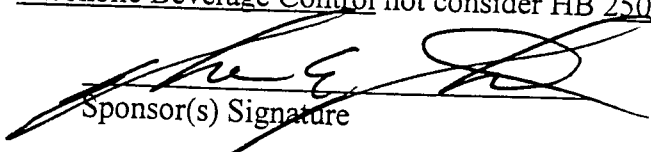
MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representative Thomas Wright
Bill Sponsor

SUBJECT: HB 250, 18th House District Local Act-2 (Short Title)

I request that the Committee on Alcoholic Beverage Control not consider HB 250.


Sponsor(s) Signature

Date: 06-30-04

(Rule 36(a) Bill Sponsor Form)

MEMORANDUM

DATE: June 29, 2004

TO: Representatives Bernard Allen, Don Munford, Paul Stam
Bill Sponsors

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 603, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

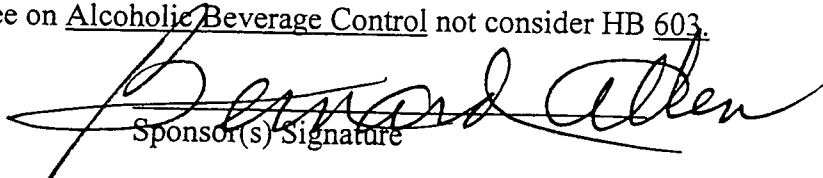
MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representatives Bernard Allen, Don Munford, Paul Stam
Bill Sponsors

SUBJECT: HB 603, ABC Local Authority (Short Titles)

I request that the Committee on Alcoholic Beverage Control not consider HB 603.


Sponsor(s) Signature

Date: 6-30-04

537
C

MEMORANDUM

(Rule 36(a) Bill Sponsor Form)

DATE: June 30, 2004

TO: Representatives Bernard Allen, Don Munford, Paul Stam
Bill Sponsors

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 603, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

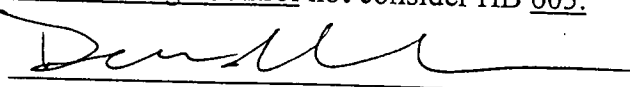
MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representatives Bernard Allen, Don Munford, Paul Stam
Bill Sponsors

SUBJECT: HB 603, ABC Local Authority (Short Titles)

I request that the Committee on Alcoholic Beverage Control not consider HB 603.


Sponsor(s) Signature

Date: 7/6/04

610
C

MEMORANDUM

(Rule 36(a) Bill Sponsor Form)

DATE: June 30, 2004

TO: Representatives Bernard Allen, Don Munford, Paul Stam
Bill Sponsors

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 603, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representatives Bernard Allen, Don Munford, Paul Stam
Bill Sponsors

SUBJECT: HB 603, ABC Local Authority (Short Titles)

I request that the Committee on Alcoholic Beverage Control not consider HB 603.

Paul Stam
Sponsor(s) Signature

Date: 6-30-04

1325
C

MEMORANDUM

(Rule 36(a) Bill Sponsor Form)

DATE: June 29, 2004

TO: Representatives B. Allen, D. Munford, D. Ross, P. Stam
Bill Sponsors

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 604, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

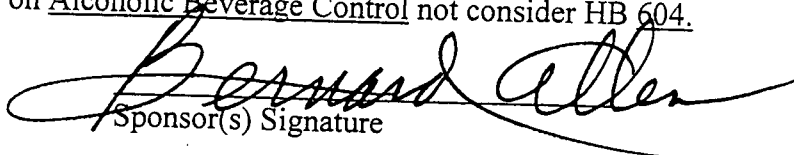
MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representatives B. Allen, D. Munford, D. Ross, P. Stam
Bill Sponsors

SUBJECT: HB 604, Local/State Control of ABC Regulation (Short Title)

I request that the Committee on Alcoholic Beverage Control not consider HB 604.


Sponsor(s) Signature

Date: 6-30-04

C

(Rule 36(a) Bill Sponsor Form)

MEMORANDUM

DATE: June 30, 2004

TO: Representatives B. Allen, D. Munford, D. Ross, P. Stam
Bill Sponsors

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 604, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).


MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representatives B. Allen, D. Munford, D. Ross, P. Stam
Bill Sponsors

SUBJECT: HB 604, Local/State Control of ABC Regulation (Short Title)

I request that the Committee on Alcoholic Beverage Control not consider HB 604.



Sponsor(s) Signature

Date: 7/6/04

2282
C

MEMORANDUM

(Rule 36(a) Bill Sponsor Form)

DATE: June 30, 2004

TO: Representatives B. Allen, D. Munford, D. Ross, P. Stam
Bill Sponsors

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 604, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

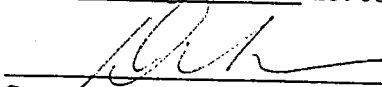
MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representatives B. Allen, D. Munford, D. Ross, P. Stam
Bill Sponsors

SUBJECT: HB 604, Local/State Control of ABC Regulation (Short Title)

I request that the Committee on Alcoholic Beverage Control not consider HB 604.



Sponsor(s) Signature

Date: 6/30/04

610
C

(Rule 36(a) Bill Sponsor Form)

MEMORANDUM

DATE: June 30, 2004

TO: **Representatives B. Allen, D. Munford, D. Ross, P. Stam**
Bill Sponsors

FROM: **Representative John Hall**
Committee Chair

SUBJECT: **House Bill Pending in the Committee on Alcoholic Beverage Control**

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 604, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

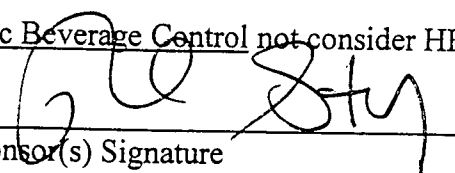
MEMORANDUM

TO: **Representative John Hall**
Committee Chair

FROM: **Representatives B. Allen, D. Munford, D. Ross, P. Stam**
Bill Sponsors

SUBJECT: **HB 604, Local/State Control of ABC Regulation (Short Title)**

I request that the Committee on Alcoholic Beverage Control not consider HB 604.



Sponsor(s) Signature

Date: 6/30/04

132,
C

MEMORANDUM

(Rule 36(a) Bill Sponsor Form)

DATE: June 29, 2004

TO: Representative Ron Sutton
Bill Sponsor

FROM: Representative John Hall
Committee Chair

SUBJECT: House Bill Pending in the Committee on Alcoholic Beverage Control

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 920, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

MEMORANDUM

TO: Representative John Hall
Committee Chair

FROM: Representative Ron Sutton
Bill Sponsor

SUBJECT: HB 920, ABC Availability in North Carolina (Short Title)

I request that the Committee on Alcoholic Beverage Control not consider HB 920.


Sponsor(s) Signature

Date: 6-30-04

419-A
C

(Rule 36(a) Bill Sponsor Form)

MEMORANDUM

DATE: June 29, 2004

TO: **Representative Pryor Gibson**
Bill Sponsor

FROM: **Representative John Hall**
Committee Chair

SUBJECT: **House Bill Pending in the Committee on Alcoholic Beverage Control**

Pursuant to House Rule 36(a) all House bills and resolutions shall be reported from the standing committee or permanent subcommittee to which referred with such recommendations as the standing committee or permanent subcommittee may desire to make **except in the case where the primary sponsor(s) requests in writing to the Chair(s) of the standing committee or permanent subcommittee that the House bill not be considered.**

If you would like to request that the Committee on Alcoholic Beverage Control not consider HB 1008, a form is included at the bottom of this page for that purpose. Please sign, date and return the form to Room 611. This form may not be returned by e-mail because it requires the original signature of the bill sponsor(s).

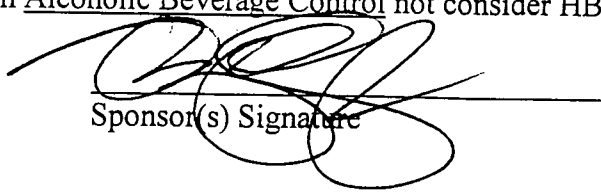
MEMORANDUM

TO: **Representative John Hall**
Committee Chair

FROM: **Representative Pryor Gibson**
Bill Sponsor

SUBJECT: **HB 1008, New ABC Permits Based on Existing Permits (Short Title)**

I request that the Committee on Alcoholic Beverage Control not consider HB 1008.


Sponsor(s) Signature

Date: 7/7/04