

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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**SENATE BILL 838
Commerce, Small Business and Entrepreneurship Committee Substitute Adopted
7/11/07**

Short Title: ABC Law Changes.-AB

(Public)

Sponsors:

Referred to:

March 19, 2007

A BILL TO BE ENTITLED

1
2 AN ACT TO ALLOW THE ISSUANCE OF OFF-PREMISES MALT BEVERAGE
3 AND UNFORTIFIED WINE PERMITS TO INCORPORATED
4 MUNICIPALITIES AFTER AN ELECTION ALLOWING THE SALE OF MIXED
5 BEVERAGES, TO REQUIRE AN APPLICANT FOR AN ABC PERMIT TO BE A
6 UNITED STATES CITIZEN OR LEGALLY PRESENT IN THE UNITED
7 STATES FOR A PERMIT TO BE ISSUED, TO CHANGE ABC PERMIT
8 REGISTRATION AND INSPECTION FEE REVOCATIONS TO SUSPENSIONS,
9 TO ALLOW LOCAL GOVERNMENTS AND NONPROFIT ORGANIZATIONS
10 TO HAVE SPECIAL ONE-TIME PERMITS TO SELL AND SERVE MALT
11 BEVERAGES, WINES, MIXED BEVERAGES, AND SPIRITUOUS LIQUORS
12 AT FUND-RAISERS, TO MAKE TECHNICAL CORRECTIONS TO
13 COMMERCIAL PERMITS, TO ALLOW WINEMAKING ON PREMISES
14 PERMITS AT UNFORTIFIED WINERIES, AND TO CHANGE THE FEE FOR
15 WINEMAKING ON PREMISES PERMITS AS RECOMMENDED BY THE
16 ALCOHOLIC BEVERAGE CONTROL COMMISSION.

17 The General Assembly of North Carolina enacts:

18 **SECTION 1.** G.S. 18B-603(d)(3) reads as rewritten:

19 "(3) The Commission may issue off-premises malt beverage permits to any
20 establishment that meets the requirements under G.S. 18B-1001(2) in
21 any township or incorporated municipality which has voted to permit
22 the sale of mixed beverages, regardless of any other local act
23 concerning sales of those kinds of alcoholic beverages. The
24 Commission may also issue off-premises unfortified wine permits to
25 any establishment that meets the requirements under G.S. 18B-1001(4)
26 in any township or incorporated municipality which has voted to
27 permit the sale of mixed beverages, regardless of any other local act
28 concerning sales of those kinds of alcoholic beverages."

1 **SECTION 2.** G.S. 18B-900(a) reads as rewritten:

2 **"§ 18B-900. Qualifications for permit.**

3 (a) Requirements. – To be eligible to receive and to hold an ABC permit, a
4 person shall:

- 5 (1) Be at least 21 years old, unless the person is a manager of a business
6 selling only malt beverages and unfortified wine, in which case the
7 person shall be at least 19 years old;
- 8 (2) Be a resident of North Carolina unless:
- 9 a. He is an officer, director or stockholder of a corporate applicant
10 or permittee and is not a manager or otherwise responsible for
11 the day-to-day operation of the business; or
- 12 b. He has executed a power of attorney designating a qualified
13 resident of this State to serve as attorney in fact for the purposes
14 of receiving service of process and managing the business for
15 which permits are sought; or
- 16 c. He is applying for a nonresident malt beverage vendor permit, a
17 nonresident wine vendor permit, or a vendor representative
18 permit;
- 19 (3) Not have been convicted of a felony within three years, and, if
20 convicted of a felony before then, shall have had his citizenship
21 restored;
- 22 (4) Not have been convicted of an alcoholic beverage offense within two
23 years;
- 24 (5) Not have been convicted of a misdemeanor controlled substance
25 offense within two years; and
- 26 (6) Not have had an alcoholic beverage permit revoked within three years,
27 except where the revocation was based solely on a permittee's failure
28 to pay the annual registration and inspection fee required in
29 G.S. 18B-903(b1).
- 30 (7) Not have, whether as an individual or as an officer, director,
31 shareholder or manager of a corporate permittee, an unsatisfied
32 outstanding final judgment that was entered against him in an action
33 under Article 1A of this Chapter.
- 34 (8) Be a United States citizen with a valid social security number or, if not
35 a citizen of the United States, present valid documentation
36 demonstrating legal presence in the United States and that
37 documentation is issued to the applicant under the authority of the
38 United States government.

39 To avoid undue hardship, however, the Commission may decline to take action under
40 G.S. 18B-104 against a permittee who is in violation of subdivisions (3), (4), or (5)."

41 **SECTION 3.** G.S. 18B-903(b1) reads as rewritten:

42 "(b1) Registration. – Each person holding a malt beverage, fortified wine, or
43 unfortified wine permit issued pursuant to G.S. 18B-902(d)(1) through
44 G.S. 18B-902(d)(6) shall register by May 1 of each year on a form provided by the

1 Commission, in order to provide information needed by the State in enforcing this
 2 Chapter and to support the costs of that enforcement. The registration required by this
 3 subsection shall be accompanied by an annual registration and inspection fee of two
 4 hundred dollars (\$200.00) for each permit held. The fee shall be paid by May 1 of each
 5 year. A registration fee shall not be refundable. Failure to pay the annual registration
 6 and inspection fee shall result in ~~revocation of the permit~~ a suspension of the permit
 7 until the registration fee is received by the Commission and the permits are reinstated."

8 **SECTION 4.** G.S. 18B-1100 reads as rewritten:

9 **"§ 18B-1100. Commercial permits.**

10 The Commission may issue the following commercial permits:

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

30 **SECTION 5.** G.S. 18B-1101 is amended by adding a new subdivision to
 31 read:

32 **"§ 18B-1101. Authorization of unfortified winery permit.**

33 The holder of an unfortified winery permit may:

- 34 ...
- 35 (8) Allow winemaking on premises as allowed by a permit issued pursuant
 36 to G.S. 18B-1001(17).
- 37"

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

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

- 41 ...
- 42 (38) Winemaking on premises permit – ~~\$400.00~~ \$450.00.
- 43"

1 **SECTION 7.** Sections 2 and 6 of this act become effective October 1, 2007,
2 and apply to permits issued on or after that date. The remainder of this act is effective
3 when it becomes law.