

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H

1

HOUSE BILL 1138

Short Title: ABC Permits/Pubs. (Public)

Sponsors: Representative Hamilton (Primary Sponsor).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Commerce and Job Development Subcommittee on Alcoholic Beverage Control.

May 21, 2014

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE ALCOHOLIC BEVERAGE CONTROL COMMISSION TO
3 ISSUE CERTAIN PERMITS TO PUBS.

4 The General Assembly of North Carolina enacts:

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

6 "§ 18B-1000. Definitions concerning establishments.

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

8 ...

9 (5) Private club. – An establishment that is organized and operated solely for a
10 social, recreational, patriotic, or fraternal purpose and that is not open to the
11 general public, but is open only to the members of the organization and their
12 bona fide guests. This provision does not, however, prohibit such an
13 establishment from being open to the general public for raffles and bingo
14 games as required by G.S. 14-309.11(a) and G.S. 14-309.13. Except for bona
15 fide religious organizations, no organization that discriminates in the
16 selection of its membership on the basis of religion shall be eligible to
17 receive any permit issued under this Chapter.

18 (5a) Pub. – An establishment that is (i) organized and operated as a for-profit
19 entity and solely for a social or recreational purpose and (ii) located in a
20 building or portion of a building with a maximum occupant load of 150 or
21 fewer persons, as determined by the fire marshal in the county where the
22 establishment is located. A pub can either be open to the general public or to
23 members and their guests.

24 (5a)(5b) Residential private club. – A private club that is located in a privately
25 owned, primarily residential and recreational development.

26"

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

28 "§ 18B-1001. Kinds of ABC permits; places eligible.

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

31 (1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
32 authorizes (i) the retail sale of malt beverages for consumption on the
33 premises, (ii) the retail sale of malt beverages in the manufacturer's original
34 container for consumption off the premises, and (iii) the retail sale of malt
35 beverages in a cleaned, sanitized, resealable container as defined in 4 NCAC



2T.0308(a) that is filled or refilled and sealed for consumption off the premises, complies with 4 NCAC 2T.0303, 4 NCAC 2T.0305, and 4 NCAC 2T.0308(d)-(e), and the container identifies the permittee and the date the container was filled or refilled. It also authorizes the holder of the permit to ship malt beverages in closed containers to individual purchasers inside and outside the State. The permit may be issued for any of the following:

...

- i. Breweries as authorized by ~~G.S. 18B-1104(7)~~; G.S. 18B-1104(7); and
- j. Pubs.

...

(3) On-Premises Unfortified Wine Permit. – On-Premises Unfortified Wine Permit. – An on-premises unfortified wine permit authorizes the retail sale of unfortified wine for consumption on the premises, either alone or mixed with other beverages, and the retail sale of unfortified wine in the manufacturer's original container for consumption off the premises. The permit also authorizes the permittee to transfer unfortified wine, not more than four times per calendar year, to another on-premises unfortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises unfortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship unfortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued for any of the following:

...

- i. Wine ~~producers~~-producers; and
- j. Pubs.

...

(5) On-Premises Fortified Wine Permit. – An on-premises fortified wine permit authorizes the retail sale of fortified wine for consumption on the premises, either alone or mixed with other beverages, and the retail sale of fortified wine in the manufacturer's original container for consumption off the premises. The permit also authorizes the permittee to transfer fortified wine, not more than four times per calendar year, to another on-premises fortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises fortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the

transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship fortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued for any of the following:

- ...
- f. ~~Convention centers;~~centers; and
- g. Pubs.

...
 (7) Brown-Bagging Permit. – A brown-bagging permit authorizes each individual patron of an establishment, with the permission of the permittee, to bring up to eight liters of fortified wine or spirituous liquor, or eight liters of the two combined, onto the premises and to consume those alcoholic beverages on the premises. The permit may be issued for any of the following:

- ...
- e. ~~Congressionally chartered veterans organizations;~~organizations; and
- f. Pubs.

(8) Special Occasion Permit. – A special occasion permit authorizes the host of a reception, party or other special occasion, with the permission of the permittee, to bring fortified wine and spirituous liquor onto the premises of the business and to serve the same to his guests. The permit may be issued for any of the following:

- ...
- e. ~~Convention centers;~~centers; and
- f. Pubs.

...
 (10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail sale of mixed beverages for consumption on the premises. The permit also authorizes a mixed beverages permittee to obtain a purchase-transportation permit under G.S. 18B-403 and 18B-404, and to use for culinary purposes spirituous liquor lawfully purchased for use in mixed beverages. The permit may be issued for any of the following:

- ...
- g. ~~Political organizations;~~organizations; and
- h. Pubs.

...."

SECTION 3. G.S. 18B-602(h) reads as rewritten:

"(h) Mixed Beverage Elections. – The ballot for a mixed beverage election shall state the proposition as follows:

To permit the sale of mixed beverages in hotels, restaurants, private clubs, pubs, community theatres, and convention centers.

- FOR
- AGAINST"

1 **SECTION 4.** G.S. 18B-603 reads as rewritten:

2 "**§ 18B-603. Effect of alcoholic beverage elections on issuance of permits.**

3 ...

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

8 ...

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

15 ...

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

18 (1) Special occasion permits;

19 (2) Limited special occasion permits;

20 (3) Brown-bagging permits for private ~~clubs and~~ clubs, pubs, and
21 congressionally chartered veterans organizations;

22 (4) Culinary permits, except as restricted by subdivision (d)(5);

23 (5) Special one-time permits issued under G.S. 18B-1002;

24 (6) All permits listed in G.S. 18B-1100;

25 (7) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism
26 ABC establishments;

27 (8) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism
28 resorts;

29 (9) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for historic
30 ABC establishments.

31 "

32 **SECTION 5.** The ABC Commission shall adopt rules to implement this act. For
33 any private club that has an ABC permit or permits on the date this act becomes law, the rules
34 governing private clubs shall not apply to that private club for the duration of the ABC permit
35 or permits if the private club meets the definition of a pub under this act.

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