

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 377

Short Title: Breweries to Sell Malt Beverages on Premises. (Public)

Sponsors: Senators Tucker, Hise; Atwater, Bingham, Davis, Goolsby, Gunn, Harrington, Newton, Rabon, Stevens, Walters, and White.

Referred to: Commerce.

March 21, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW ALCOHOLIC BEVERAGE PERMITTEES WHO HAVE BEEN
3 ISSUED BREWERY PERMITS TO SELL MALT BEVERAGES BREWED AT THE
4 BREWERY ON THE PREMISES OF THE BREWERY AND TO ALLOW TASTINGS
5 AT BREWERIES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 18B-1001(1) reads as rewritten:

8 "(1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
9 authorizes the retail sale of malt beverages for consumption on the premises
10 and the retail sale of malt beverages in the manufacturer's original container
11 for consumption off the premises. It also authorizes the holder of the permit
12 to ship malt beverages in closed containers to individual purchasers inside
13 and outside the State. The permit may be issued for any of the following:

- 14 a. Restaurants;
15 b. Hotels;
16 c. Eating establishments;
17 d. Food businesses;
18 e. Retail businesses;
19 f. Private clubs;
20 g. Convention centers;
21 h. Community ~~theatres;~~ theaters;
22 i. Breweries as authorized by G.S. 18B-1104(7).

23 ~~The permit may also be issued to certain breweries as authorized by~~
24 ~~G.S. 18B-1104(7)."~~

25 **SECTION 2.** G.S. 18B-1104 reads as rewritten:

26 **"§ 18B-1104. Authorization of brewery permit.**

27 The holder of a brewery permit may:

- 28 (1) ~~Manufacture malt beverages;~~ beverages.
29 (2) Purchase malt, hops and other ingredients used in the manufacture of malt
30 ~~beverages;~~ beverages.
31 (3) Sell, deliver and ship malt beverages in closed containers to wholesalers
32 licensed under this Chapter as authorized by the ABC laws, except that malt
33 beverages may be sold to exporters and nonresident wholesalers only when
34 the purchase is not for resale in this ~~State;~~ State.
35 (4) Receive malt beverages manufactured by the permittee in some other state
36 for transshipment to dealers in other ~~states;~~ states.



- 1 (5) Furnish or sell marketable malt beverage products, or packages which do not
2 conform to the manufacturer's marketing standards, if State taxes have been
3 or will be paid, to its employees for the use of the employees or their
4 families and guests in this ~~State;~~State.
- 5 (6) Give its products to its ~~employees and guests;~~patrons for consumption on its
6 ~~premises;~~premises for tasting purposes only. Tastings conducted by a
7 brewery pursuant to this subdivision shall be held for an entire business day
8 and limit the total amount of malt beverages tasted in a business day by each
9 patron to no more than four ounces of malt beverages.
- 10 (7) ~~In areas where the sale is legal, sell~~Sell the brewery's malt beverages at the
11 brewery upon receiving a permit under G.S. 18B-1001(1). The brewery also
12 may obtain a malt beverage wholesaler permit to sell, deliver, and ship at
13 wholesale only malt beverages manufactured by the brewery. The
14 authorization of this subdivision applies to a brewery that sells, to consumers
15 at the brewery, to wholesalers, to retailers, and to exporters, fewer than
16 25,000 barrels, as defined in G.S. 81A-9, of malt beverages produced by it
17 per year. A brewery not exceeding the sales quantity limitations in this
18 subdivision may also sell the malt beverages manufactured by the brewery at
19 not more than three other locations in the State upon obtaining the
20 appropriate permits under G.S. 18B-1001. A brewery operating any
21 additional retail location pursuant to this subdivision shall also offer for sale
22 at that location a reasonable selection of competitive malt beverage products.

23 A sale or gift under subdivision (5) or (6) shall not be considered a retail or wholesale sale
24 under the ABC laws."

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