

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 890
Committee Substitute Favorable 5/10/21
Committee Substitute #2 Favorable 5/11/21

Short Title: ABC Omnibus Legislation.

(Public)

Sponsors:

Referred to:

May 5, 2021

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE ALCOHOLIC BEVERAGE CONTROL
3 COMMISSION LAWS.

4 The General Assembly of North Carolina enacts:

5
6 **PART I. ALLOW ONLINE ORDERS FROM ABC STORES**

7 **SECTION 1.1.** G.S. 18B-800(a) reads as rewritten:

8 "(a) Spirituous Liquor. – Except as provided in Articles 10 and 11 of this Chapter,
9 spirituous liquor may be sold only in ABC stores operated by local boards. For purposes of this
10 subsection, the term "sold only in ABC stores operated by local boards" includes online orders
11 placed in accordance with subsection (c3) of this section."

12 **SECTION 1.2.** G.S. 18B-800 is amended by adding a new subsection to read:

13 "(c3) Online Orders. – An ABC store may accept an online order, including payment, for
14 alcoholic beverages sold in its store. An order placed online pursuant to this subsection shall be
15 picked up in person at the store by the person who placed the order, who shall be a person who
16 is legally entitled to purchase alcoholic beverages. An online order that is not picked up within a
17 time period determined by the Commission shall be returned to inventory in the ABC store, and
18 the person who placed the order shall be refunded. A person shall not be prosecuted for a violation
19 of G.S. 18B-302(a)(2) for an online sale under this subsection of fortified wine or spirituous
20 liquor to a person less than 21 years old unless the person knew the purchaser was less than 21
21 years old at the time the online order was placed."

22 **SECTION 1.3.** The ABC Commission shall adopt rules to determine how long a
23 product purchased by an online order pursuant to G.S. 18B-800(c3) may be set aside before being
24 returned to inventory at an ABC store.

25 **SECTION 1.4.** This Part becomes effective July 1, 2021, and applies to sales on or
26 after that date.

27
28 **PART II. ALLOW PERSONALIZED LABEL ON SPIRITUOUS LIQUOR PURCHASE**

29 **SECTION 2.1.** G.S. 18B-800(c1) reads as rewritten:

30 "(c1) Special Orders of Special Items. – Through the process established by rule of the
31 Commission for special orders of spirituous liquor that are on the special item list approved by
32 the Commission, ABC stores shall allow the purchase of individual bottles of spirituous liquor.
33 ABC stores may sell in store any bottles it receives from a special item case in excess of what
34 was purchased by the requesting customer. Bottles purchased pursuant to this subsection may be
35 affixed with personalized labeling that includes any other labeling requirements set by law. For



1 purposes of this subsection, the term "personalized labeling" means the inclusion of the name of
2 the purchaser on the label."

3 **SECTION 2.2.** G.S. 18B-1105(a)(4) reads as rewritten:

4 "(4) Sell spirituous liquor distilled at the distillery in closed containers to visitors
5 who tour the distillery for consumption off the premises. Sales under this
6 subdivision are allowed only in a county where the establishment of a county
7 or municipal ABC store has been approved pursuant to G.S. 18B-602(g) and
8 are subject to the time and day restrictions in G.S. 18B-802. Spirituous liquor
9 sold under this subdivision shall (i) be listed as a code item for sale in the
10 State, (ii) be sold at the price set by the Commission for the code item pursuant
11 to G.S. 18B-804(b), and (iii) have affixed to its bottle any labeling
12 requirements set by law. A bottle of spirituous liquor sold under this
13 subdivision may have personalized labeling affixed to it that includes any
14 other labeling requirements set by law. For purposes of this subdivision, the
15 term "personalized labeling" means the inclusion of the name of the purchaser
16 on the label."

17 **SECTION 2.3.** This Part becomes effective July 1, 2021, and applies to spirituous
18 liquor sold on or after that date.

19 **PART III. PERMIT FOR ABC STORE TASTINGS/CLARIFICATION**

20 **SECTION 3.1.** G.S. 18B-1114.7(c) is amended by adding a new subdivision to read:

21 "(1a) The permit shall be issued in the name of the business listed on the application
22 for the permit."

23 **SECTION 3.2.** This Part becomes effective July 1, 2021, and applies to permits
24 issued on or after that date.

25 **PART IV. ELIMINATE THE REQUIREMENT ON THE TOWN OF CARY TO ISSUE** 26 **ALCOHOLIC BEVERAGE LICENSES**

27 **SECTION 4.1.** G.S. 105-113.70(a) reads as rewritten:

28 "(a) Issuance, Qualifications. – Each person who receives an ABC permit shall obtain the
29 corresponding local license, if any, under this Article. All local licenses are issued by the city or
30 county where the establishment for which the license is sought is located. No documentation
31 shall be required of the applicant except as provided in this section. Issuance of a required local
32 license is mandatory if the applicant holds the corresponding ABC permit and provides all of the
33 following: (i) a copy of the most recently completed State application form for an ABC permit
34 exclusive of any attachments, (ii) the ABC permit for visual inspection, and (iii) payment of the
35 prescribed tax. No local license may be issued under this Article until the applicant has received
36 from the ABC Commission the applicable permit for that activity, and no county license may be
37 issued for an establishment located in a city in that county until the applicant has received from
38 the city the applicable license for that ~~activity~~activity; provided, the city in that county has not
39 declined to require a license pursuant to G.S. 105-113.71(c)."

40 **SECTION 4.2.** G.S. 105-113.71 reads as rewritten:

41 "**§ 105-113.71. ~~Local government may refuse to issue~~ Nonissuance of license.**

42 (a) Refusal to Issue. – Notwithstanding G.S. 105-113.70, the governing board of a city
43 or county may refuse to issue a license if it finds that the applicant committed any act or permitted
44 any activity in the preceding year that would be grounds for suspension or revocation of his
45 permit under G.S. 18B-104. Before denying the license, the governing board shall give the
46 applicant an opportunity to appear at a hearing before the board and to offer evidence. The
47 applicant shall be given at least 10 days' notice of the hearing. At the conclusion of the hearing
48 the board shall make written findings of fact based on the evidence at the hearing. The applicant
49
50

1 may appeal the denial of a license to the superior court for that county, if notice of appeal is given
2 within 10 days of the denial.

3 (b) ~~Local Unfortified Wine~~ Exceptions. – The governing bodies of the following counties
4 and cities in their discretion may decline to issue on-premises unfortified wine licenses: the
5 counties of Alamance, Alexander, Ashe, Avery, Chatham, Clay, Duplin, Granville, Greene,
6 Haywood, Jackson, Macon, Madison, McDowell, Montgomery, Nash, Pender, Randolph,
7 Robeson, Sampson, Transylvania, Vance, Watauga, Wilkes, Yadkin; any city within any of those
8 counties; and the cities of Greensboro, Aulander, Pink Hill, and Zebulon.

9 (c) General Exception. – The governing bodies of the municipalities listed in this
10 subsection may decline requiring a person who receives an ABC permit to obtain the
11 corresponding local license from the municipality to engage in the activity authorized by the
12 ABC permit: the Town of Cary."

13 **SECTION 4.3.** G.S. 105-113.77(a) reads as rewritten:

14 "(a) License and Tax. – ~~A~~Except in cities declining to require a license pursuant to
15 G.S. 105-113.71(c), a person holding any of the following retail ABC permits for an
16 establishment located in a city shall obtain from the city a city license for that activity. The annual
17 tax for each license is as stated.

ABC Permit	Tax for Corresponding License
On-premises malt beverage	\$15.00
Off-premises malt beverage	5.00
On-premises unfortified wine, on-premises fortified wine, or both.....	15.00
Off-premises unfortified wine, off-premises fortified wine, or both	10.00"

25 **SECTION 4.4.** This Part becomes effective July 1, 2021.

27 **PART V. ESTABLISH NORTH CAROLINA SPIRITUOUS LIQUOR ADVISORY**
28 **COUNCIL**

29 **SECTION 5.1.** Chapter 106 of the General Statutes is amended by adding a new
30 Article to read:

31 "Article 62B.

32 "Spirituos Liquor Advisory Council.

33 **"§ 106-755.3. North Carolina Spirituous Liquor Advisory Council established.**

34 The Commissioner shall appoint a North Carolina Spirituous Liquor Advisory Council
35 (Council) to consist of individuals who have education or experience in the spirituous liquor
36 industry or in the field of tourism. The membership shall be comprised of members of the
37 spirituous liquor industry in North Carolina, at least one representative of the North Carolina
38 Restaurant and Lodging Association, at least one representative of the North Carolina
39 Association of ABC Boards, at least one representative of the ABC Commission, and any other
40 person selected by the Commissioner. Notwithstanding any other provision of law, Council
41 members shall receive no salary, per diem, subsistence, travel reimbursement, or other stipend
42 or reimbursement as a result of serving on the Council.

43 **"§ 106-755.4. Powers and duties of the Council.**

44 The Council shall have all of the following powers and duties:

- 45 (1) To identify and implement methods for improving North Carolina's rank as a
46 spirituous liquor-producing State.
- 47 (2) To assure orderly growth and development of North Carolina's spirituous
48 liquor industry.
- 49 (3) To increase public awareness of the quality of North Carolina spirituous
50 liquor.

- 1 (4) To coordinate the interaction of North Carolina's spirituous liquor industry
 2 with other segments of the State's economy such as tourism, retail trade, and
 3 horticulture.
- 4 (5) To conduct methods of quality assurance of North Carolina's spirituous liquor
 5 industry to create a sound foundation for further growth.
- 6 (6) To assist in the coordination of the activities of the various State agencies and
 7 other organizations contributing to the development of the spirituous liquor
 8 industry.
- 9 (7) To enter into agreements with any local, State, or national organizations or
 10 agencies engaged in education for the purpose of disseminating information
 11 on spirituous liquor projects.
- 12 (8) To develop a plan that identifies problems and constraints of the spirituous
 13 liquor industry, proposes solutions to those problems, and delineates planning
 14 mechanisms for the orderly growth of the industry.
- 15 (9) To render advice and recommendations, including legislative
 16 recommendations, to the Commissioner regarding all of the above powers and
 17 duties."

18 **SECTION 5.2.** The Commissioner shall make initial appointments to the North
 19 Carolina Spirituous Liquor Advisory Council established under G.S. 106-755.3, as enacted by
 20 Section 5.1 of this act, no later than September 1, 2021.

21 **SECTION 5.3.** Section 5.1 of this Part becomes effective September 1, 2021. The
 22 remainder of this Part is effective when it becomes law.

23

24 **PART VI. WINERY AND DISTILLERY LAW REVISIONS**

25 **SECTION 6.1.(a)** G.S. 18B-1105(a)(4), as amended by Section 2.2 of this act, reads
 26 as rewritten:

- 27 "(4) Sell spirituous liquor distilled at the distillery in closed containers to visitors
 28 who tour the distillery for consumption off the premises. Sales under this
 29 subdivision are allowed only in a county where the establishment of a county
 30 or municipal ABC store has been approved pursuant to G.S. 18B-602(g) and
 31 ~~are subject to the time and day restrictions in G.S. 18B-802.~~ may occur
 32 between the hours of 9:00 A.M. and 9:00 P.M. on Monday through Saturday
 33 of each week, from 12:00 noon to 9:00 P.M. on Sundays, and from 9:00 A.M.
 34 to 9:00 P.M. on each of the following holidays that do not fall on a Sunday:
 35 New Year's Day, Fourth of July, Labor Day, and Thanksgiving Day.
 36 Spirituous liquor sold under this subdivision shall (i) be listed as a code item
 37 for sale in the State, (ii) be sold at the price set by the Commission for the
 38 code item pursuant to G.S. 18B-804(b), and (iii) have affixed to its bottle any
 39 labeling requirements set by law. A bottle of spirituous liquor sold under this
 40 subdivision may have personalized labeling affixed to it that includes any
 41 other labeling requirements set by law. For purposes of this subdivision, the
 42 term "personalized labeling" means the inclusion of the name of the purchaser
 43 on the label."

44 **SECTION 6.1.(b)** This section becomes effective July 1, 2021, and applies to sales
 45 on or after that date.

46 **SECTION 6.2.(a)** G.S. 18B-1114.7 reads as rewritten:

47 "**§ 18B-1114.7. Authorization of spirituous liquor special event permit.**

48 (a) Authorization. – The holder of a supplier representative permit, brokerage
 49 representative permit, or distillery permit issued under G.S. 18B-1105 may obtain a spirituous
 50 liquor special event permit allowing the permittee to give free tastings of its spirituous liquors at
 51 ABC stores where the local board has approved the tasting, trade shows, conventions, shopping

1 ~~malls, street festivals, holiday festivals, agricultural festivals, balloon races, farmers markets,~~
2 local fund-raisers, and other similar events approved by the Commission. Additionally, the holder
3 of a supplier representative permit, brokerage representative permit, or distillery permit issued
4 under G.S. 18B-1105 may obtain a spirituous liquor special event permit allowing the permittee
5 to sell mixed beverages containing spirituous liquor distilled or produced at the distillery, or sell
6 spirituous liquor distilled or produced at the distillery in closed containers at trade shows,
7 conventions, agricultural festivals, farmers markets, local fund-raisers, and other similar events
8 approved by the Commission. The sale of spirituous liquor in closed containers under a spirituous
9 liquor special event shall be limited to one 50 milliliter mini-bottle per customer.

10 (b) General Limitations. – Except as otherwise provided in subsection (c) of this section,
11 any consumer tasting is subject to the following limitations:

- 12 (1) The permit holder or the permit holder's authorized agent shall conduct the
13 ~~consumer tasting event~~ and the permit holder shall be solely responsible for
14 any violations of this Chapter occurring in connection with the ~~consumer~~
15 ~~tasting event~~.
- 16 (2) The spirituous liquor shall be poured only by either (i) the permit holder
17 conducting the consumer tasting or (ii) an employee or authorized agent of the
18 permit holder conducting the consumer tasting who is at least 21 years of age.
- 19 (3) Each consumer shall be limited to one tasting sample containing 0.25 ounces
20 of any product made available for sampling at the consumer tasting, and the
21 total amount of the tasting samples offered to and consumed by each consumer
22 shall not exceed 1.0 ounce of spirituous liquor in any calendar day. The
23 limitation set forth in this subdivision does not apply to the sale of spirituous
24 liquor in closed containers or mixed beverages.
- 25 (4) The permit holder shall not sell its spirituous liquor to, offer tasting samples
26 to, or allow consumption of tasting samples by, any consumer who is visibly
27 intoxicated.
- 28 (5) The permit holder shall not sell its spirituous liquor to, offer tasting samples
29 to, or allow consumption of tasting samples by, any consumer under the legal
30 age for consuming spirituous liquor. The person pouring the spirituous liquor
31 shall be responsible for verifying the age of the consumer being served by
32 checking the identification of the consumer.
- 33 (6) The permit holder shall not charge a consumer for any tasting sample. The
34 limitation in this subdivision does not apply to the sale of spirituous liquor in
35 closed containers or mixed beverages.
- 36 (7) Repealed by Session Laws 2019-182, s. 6(a), effective September 1, 2019.
- 37 (8) A consumer tasting shall not be allowed unless the venue is located in a
38 jurisdiction that has approved the sale of mixed beverages.
- 39 (9) The permit holder may provide point-of-sale advertising materials and
40 advertising specialties and may sell branded merchandise such as glassware,
41 cups, signs, t-shirts, hats, and other apparel to consumers at the consumer
42 tasting.
- 43 (10) The permit holder shall maintain for a period of at least one year a record of
44 each consumer tasting conducted. The record shall include the date of the
45 consumer tasting, the time of the consumer tasting, an identification of the
46 venue at which the consumer tasting was held, an identification of the
47 spirituous liquor that was provided for tasting at the consumer tasting, and the
48 name of any person who poured spirituous liquor at the consumer tasting. The
49 permit holder shall allow the ABC Commission to inspect those records at any
50 time.

51"

1 **SECTION 6.2.(b)** G.S. 18B-1105(a)(5) reads as rewritten:

2 "(5) Conduct consumer tastings and sell only spirituous liquor distilled or
3 produced at the distillery in accordance with G.S. 18B-1114.7."

4 **SECTION 6.2.(c)** This section becomes effective July 1, 2021, and applies to events
5 held on or after that date.

6 **SECTION 6.3.(a)** G.S. 130A-247 reads as rewritten:

7 "**§ 130A-247. Definitions.**

8 The following definitions shall apply throughout this Part:

9 ...

10 (11) "Distillery" means an establishment licensed under G.S. 18B-1105 that is not
11 engaged in the preparation of food on the premises. For purposes of this
12 subdivision, the term "food" does not include beverages.

13 (12) "Winery" means an establishment licensed under G.S. 18B-1101 or
14 G.S. 18B-1102 that is not engaged in the preparation of food on the premises.
15 For purposes of this subdivision, the term "food" does not include beverages."

16 **SECTION 6.3.(b)** G.S. 130A-248(a) reads as rewritten:

17 "(a) For the protection of the public health, the Commission shall adopt rules governing
18 the sanitation of establishments that prepare or serve drink or food for pay and establishments
19 that prepare and sell meat food products or poultry products. However, any establishment that
20 prepares or serves food or drink to the public, regardless of pay, shall be subject to the provisions
21 of this Article if the establishment that prepares or serves food or drink holds an ABC permit, as
22 defined in G.S. 18B-101, meets any of the definitions in G.S. 18B-1000, and does not meet the
23 definition ~~of a brewery as provided in G.S. 130A-247(10) or a private bar as provided in~~
24 ~~G.S. 130A-247(1b) or a private club as provided in G.S. 130A-247(2).~~ set forth in G.S. 130A-247
25 for a brewery, distillery, private bar, private club, or winery."

26 **SECTION 6.3.(c)** G.S. 130A-250 reads as rewritten:

27 "**§ 130A-250. Exemptions.**

28 The following shall be exempt from this Part:

29 ...

30 (18) A distillery as defined in G.S. 130A-247(11).

31 (19) A winery as defined in G.S. 130A-247(12)."

32 **SECTION 6.3.(d)** Penalties imposed and fees charged before the effective date of
33 this section are not abated or affected by this section, and the statutes that would be applicable
34 but for this section remain applicable to those penalties and fees.

35 **SECTION 6.3.(e)** The Revisor of Statutes is authorized to alphabetize, number, and
36 renumber the definitions listed in G.S. 130A-247, as amended by subsection (a) of this section,
37 to ensure that all the definitions are listed in alphabetical order and numbered accordingly.

38 **SECTION 6.3.(f)** This section becomes effective September 1, 2021.

39 **SECTION 6.4.(a)** G.S. 18B-1100 reads as rewritten:

40 "**§ 18B-1100. Commercial permits.**

41 The Commission may issue the following commercial permits:

42 ...

43 (21) Spirituous liquor special event permit."

44 **SECTION 6.4.(b)** This section becomes effective May 1, 2022, and applies to
45 permits issued or renewed on or after that date.

46 **PART VII. EXPAND ALLOWABLE GROWLER SIZE**

47 **SECTION 7.1.(a)** Rule. – For purposes of this section and its implementation,
48 "Growler Rule" means 14B NCAC 15C .0307 (Growlers).
49

1 **SECTION 7.1.(b)** Growler Rule. – Until the effective date of the revised permanent
2 rule that the ABC Commission is required to adopt pursuant to subsection (d) of this section, the
3 Commission shall implement the Growler Rule as provided in subsection (c) of this section.

4 **SECTION 7.1.(c)** Implementation. – Notwithstanding subsection (a) of 14B NCAC
5 15C .0307, a "growler" shall be defined as a rigid glass, ceramic, plastic, aluminum, or stainless
6 steel container with a closure or cap with a secure sealing that is no larger than 4 liters (1.0567
7 gallons) into which a malt beverage or unfortified wine is prefilled, filled, or refilled for
8 off-premises consumption.

9 **SECTION 7.1.(d)** Additional Rulemaking Authority. – The Commission shall adopt
10 a rule to amend the Growler Rule consistent with subsection (c) of this section. Notwithstanding
11 G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be
12 substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant
13 to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes.
14 Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1),
15 as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

16 **SECTION 7.1.(e)** Effective Date. – This Part is effective when it becomes law.
17 Section 7.1(c) of this Part expires on the date that the rule adopted pursuant to Section 7.1(d) of
18 this Part becomes effective.

19 **PART VIII. REVISE TERMINOLOGY**

20 **SECTION 8.1.** G.S. 18B-800 reads as rewritten:

21 "**§ 18B-800. Sale of alcoholic beverages in ABC stores.**

22 ...

23 (c2) Orders of Eligible Distillery Products by Mixed Beverages Permittees. – A local
24 board shall fulfill an order by a mixed beverages permittee for individual bottles or cases of
25 spirituous liquor produced by an eligible distillery that are listed as a regular code item for sale
26 in the State. If a local board cannot fulfill an order of a mixed beverages permittee for individual
27 bottles or cases of spirituous liquor produced by an eligible distillery that are listed as a regular
28 code item for sale in the State because the product ordered is not in the local board's stock
29 inventory or the order cannot otherwise be fulfilled within the time period requested by the
30 permittee, the local board shall notify the Commission within 48 hours of the request for the
31 order and request authorization for direct shipment. The Commission shall then determine if the
32 eligible distillery desires to directly ship the ordered product directly to the local board, and if so
33 the Commission shall authorize the eligible distillery to ship the spirituous liquor ordered to the
34 local board for the fulfillment of the mixed beverages permittee's order. Merchandise authorized
35 to be shipped by direct shipment under this subsection shall be consigned by the State ABC
36 warehouse to the distiller's account in care of the local board. The local board shall acknowledge
37 receipt of the merchandise on the shipping documents and forward them to the State ABC
38 warehouse for processing through the accounting system as though the merchandise were
39 shipped from the State ABC warehouse. As used in this subsection, an "eligible distillery" is a
40 distillery (i) that sells, to consumers at the distillery, to exporters, to local boards, and to private
41 or public agencies or establishments of other states or nations, fewer than 10,000 proof gallons
42 of in-house brand spirituous liquors distilled or produced and manufactured by it at the permit
43 holder's distillery per year, and (ii) that is either the holder of a distillery permit pursuant to
44 G.S. 18B-1105 or is a business located outside the State that is licensed or permitted to
45 manufacture spirituous liquor in the jurisdiction where the business is located and whose products
46 are lawfully sold in this State.

47 ...

48 (e) Each ABC store shall display spirits which are distilled or produced in North Carolina
49 in an area dedicated solely to North Carolina products."

50 **SECTION 8.2.** G.S. 18B-1001(19)e. reads as rewritten:
51

1 "e. The spirituous liquor used in the consumer tasting event shall be
2 distilled or produced at the distillery where the event is being held by
3 the permit holder conducting the event."

4 **SECTION 8.3.** G.S. 18B-1105(a)(4), as amended by Sections 2.2 and 6.1 of this act,
5 reads as rewritten:

6 "(4) Sell spirituous liquor distilled or produced at the distillery in closed containers
7 to visitors who tour the distillery for consumption off the premises. Sales
8 under this subdivision are allowed only in a county where the establishment
9 of a county or municipal ABC store has been approved pursuant to
10 G.S. 18B-602(g). Spirituous liquor sold under this subdivision shall (i) be
11 listed as a code item for sale in the State, (ii) be sold at the price set by the
12 Commission for the code item pursuant to G.S. 18B-804(b), and (iii) have
13 affixed to its bottle any labeling requirements set by law. A bottle of spirituous
14 liquor sold under this subdivision may have personalized labeling affixed to
15 it that includes any other labeling requirements set by law. For purposes of
16 this subdivision, the term "personalized labeling" means the inclusion of the
17 name of the purchaser on the label."

18 **SECTION 8.4.** This Part becomes effective July 1, 2021.

19
20 **PART IX. DISTILLERIES/REMOVE TOUR REQUIREMENT FOR SALE OF BOTTLE**
21 **OF SPIRITUOUS LIQUOR FOR OFF-PREMISES CONSUMPTION**

22 **SECTION 9.1.** G.S. 18B-1105(a)(4), as amended by Sections 2.2, 6.1, and 8.3 of
23 this act, reads as rewritten:

24 "(4) Sell spirituous liquor distilled or produced at the distillery in closed containers
25 to visitors who tour the distillery for consumption off the premises. The
26 length, content, and other parameters of the tour shall be at the discretion of
27 the distillery, and the distillery shall not be required to maintain records related
28 to tours. Sales under this subdivision are allowed only in a county where the
29 establishment of a county or municipal ABC store has been approved pursuant
30 to G.S. 18B-602(g). Spirituous liquor sold under this subdivision shall (i) be
31 listed as a code item for sale in the State, (ii) be sold at the price set by the
32 Commission for the code item pursuant to G.S. 18B-804(b), and (iii) have
33 affixed to its bottle any labeling requirements set by law. A bottle of spirituous
34 liquor sold under this subdivision may have personalized labeling affixed to
35 it that includes any other labeling requirements set by law. For purposes of
36 this subdivision, the term "personalized labeling" means the inclusion of the
37 name of the purchaser on the label."

38 **SECTION 9.2.** This Part becomes effective July 1, 2021, and applies to sales made
39 on or after that date.

40
41 **PART X. ALLOW DISTILLERIES TO SELL SPIRITUOUS LIQUOR PRODUCED BY**
42 **THE DISTILLER DIRECTLY TO CONSUMERS IN OTHER STATES**

43 **SECTION 10.1.** G.S. 18B-1105(a)(2) reads as rewritten:

44 "(2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to (i)
45 exporters and local boards within the State, and, (ii) subject to the laws of
46 other jurisdictions, at wholesale or retail to consumers in other states or
47 nations, or private or public agencies or establishments of other states or
48 ~~nations-nations,~~ except that the holder of a distillery permit may not sell,
49 deliver, or ship spirituous liquor at retail to consumers in jurisdictions that
50 require reciprocity in order to allow such sales, deliveries, or shipments."

1 **SECTION 10.2.** This Part becomes effective July 1, 2021, and applies to sales made
2 on or after that date.

3
4 **PART XI. CLARIFY LAW ON THE SALE, POSSESSION, AND CONSUMPTION OF**
5 **SPIRITUOUS LIQUOR AT A DISTILLERY**

6 **SECTION 11.1.(a)** G.S. 18B-1105(a)(1) reads as rewritten:

7 "(1) Manufacture, purchase, import, possess and transport ingredients and
8 equipment used in the distillation or production of spirituous liquor. The
9 authorization to possess ingredients set forth in this subdivision includes the
10 possession of spirituous liquor not distilled or produced at the distillery that is
11 used for the production of spirituous liquor."

12 **SECTION 11.1.(b)** This section becomes effective July 1, 2021, and applies to
13 spirituous liquor possessed on or after that date.

14 **SECTION 11.2.(a)** G.S. 18B-1105(a)(5), as amended by Section 6.2(b) of this act,
15 reads as rewritten:

16 "(5) Conduct consumer tastings and sell its spirituous liquor in accordance with
17 G.S. 18B-1114.7. Consumer tastings authorized under this subdivision may
18 be conducted on any part of the licensed premises of the distillery."

19 **SECTION 11.2.(b)** This section becomes effective July 1, 2021, and applies to
20 consumer tastings held on or after that date.

21 **SECTION 11.3.(a)** G.S. 18B-1105 is amended by adding a new subsection to read:

22 "(d) Control of Location of Sale and Consumption on Premises. – Except as otherwise
23 prohibited by federal law or the holder of the distillery permit, an alcoholic beverage authorized
24 to be sold or consumed under this section may be sold or consumed on any part of the licensed
25 premises of the distillery."

26 **SECTION 11.3.(b)** This section becomes effective July 1, 2021, and applies to the
27 sale and consumption of alcoholic beverages on or after that date.

28
29 **PART XII. ALLOW ABC AGE VERIFICATION WITH SPECIAL IDENTIFICATION**
30 **CARDS FROM OTHER STATES**

31 **SECTION 12.1.(a)** Rule. – For purposes of this section and its implementation,
32 "Identification Rule" means 14B NCAC 15B .0224 (Consumption by Underage Persons).

33 **SECTION 12.1.(b)** Identification Rule. – Until the effective date of the revised
34 permanent rule that the ABC Commission is required to adopt pursuant to subsection (d) of this
35 section, the Commission shall implement the Identification Rule as provided in subsection (c) of
36 this section.

37 **SECTION 12.1.(c)** Implementation. – It shall be the duty of the permittee and his
38 employees to determine the age of any person consuming or possessing alcoholic beverages on
39 the licensed premises. Acceptable identification for purposes of determining age shall be a drivers
40 license, a special identification card issued by the Division of Motor Vehicles of any state, a
41 military identification card, or a passport.

42 **SECTION 12.1.(d)** Additional Rulemaking Authority. – The Commission shall
43 adopt a rule to amend the Identification Rule consistent with subsection (c) of this section.
44 Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section
45 shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted
46 pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General
47 Statutes. Rules adopted pursuant to this section shall become effective as provided in
48 G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in
49 G.S. 150B-21.3(b2).

1 **SECTION 12.1.(e)** Effective Date. – This section is effective when it becomes law.
2 Subsection (c) of this section expires on the date that rules adopted pursuant to subsection (d) of
3 this section become effective.
4

5 **PART XIII. ALLOW SALE AND DELIVERY OF NO MORE THAN TWO ALCOHOLIC**
6 **BEVERAGE DRINKS AT A COLLEGE OR UNIVERSITY STADIUM, ATHLETIC**
7 **FACILITY, ARENA, OR SPORTING EVENT**

8 **SECTION 13.1.(a)** G.S. 18B-1010(b) is repealed.

9 **SECTION 13.1.(b)** This section becomes effective July 1, 2021, and applies to the
10 sale and delivery of alcoholic beverages on or after that date.
11

12 **PART XIV. RULEMAKING, SAVINGS CLAUSE, AND EFFECTIVE DATE**

13 **SECTION 14.1.** The Alcoholic Beverage Control Commission shall adopt rules, or
14 amend its rules, consistent with the provisions of this act. The Commission may use the procedure
15 set forth in G.S. 150B-21.1 to adopt or amend any rules as required under this subsection.

16 **SECTION 14.2.** Prosecutions for offenses committed before the effective date of
17 this act are not abated or affected by this act, and the statutes that would be applicable but for
18 this act remain applicable to those prosecutions.

19 **SECTION 14.3.** Except as otherwise provided, this act is effective when it becomes
20 law.