

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 890
PROPOSED COMMITTEE SUBSTITUTE H890-PCS40581-TQ-25

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 a person who is legally entitled to purchase alcoholic
16 beverages. A person shall not be prosecuted for a violation of G.S. 18B-302(a)(2) for an online
17 sale under this subsection of fortified wine or spirituous liquor to a person less than 21 years old
18 unless the person knew the purchaser was less than 21 years old at the time the online order was
19 placed."

20 **SECTION 1.3.** This Part becomes effective July 1, 2021, and applies to sales on or
21 after that date.

22
23 **PART II. ALLOW PERSONALIZED LABEL ON SPIRITUOUS LIQUOR PURCHASE**

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

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

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

34 "(4) Sell spirituous liquor distilled at the distillery in closed containers to visitors
35 who tour the distillery for consumption off the premises. Sales under this
36 subdivision are allowed only in a county where the establishment of a county



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1 or municipal ABC store has been approved pursuant to G.S. 18B-602(g) and
2 are subject to the time and day restrictions in G.S. 18B-802. Spirituous liquor
3 sold under this subdivision shall (i) be listed as a code item for sale in the
4 State, (ii) be sold at the price set by the Commission for the code item pursuant
5 to G.S. 18B-804(b), and (iii) have affixed to its bottle any labeling
6 requirements set by law. A bottle of spirituous liquor sold under this
7 subdivision may have personalized labeling affixed to it that includes any
8 other labeling requirements set by law. For purposes of this subdivision, the
9 term "personalized labeling" means the inclusion of the name of the purchaser
10 on the label."

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

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

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

15 "(1a) The permit shall be issued in the name of the business listed on the application
16 for the permit."

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

19 **PART IV. ELIMINATE THE REQUIREMENT ON THE TOWN OF CARY TO ISSUE** 20 **ALCOHOLIC BEVERAGE LICENSES**

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

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

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

35 **"§ 105-113.71. ~~Local government may refuse to issue~~ Nonissuance of license.**

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

45 (b) **~~Local Unfortified Wine~~ Exceptions.** – The governing bodies of the following counties
46 and cities in their discretion may decline to issue on-premises unfortified wine licenses: the
47 counties of Alamance, Alexander, Ashe, Avery, Chatham, Clay, Duplin, Granville, Greene,
48 Haywood, Jackson, Macon, Madison, McDowell, Montgomery, Nash, Pender, Randolph,
49
50

1 Robeson, Sampson, Transylvania, Vance, Watauga, Wilkes, Yadkin; any city within any of those
2 counties; and the cities of Greensboro, Aulander, Pink Hill, and Zebulon.

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

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

8 "(a) License and Tax. – A-Except in cities declining to require a license pursuant to
9 G.S. 105-113.71(c), a person holding any of the following retail ABC permits for an
10 establishment located in a city shall obtain from the city a city license for that activity. The annual
11 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"

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

21 **PART V. ESTABLISH NORTH CAROLINA SPIRITUOUS LIQUOR ADVISORY**
22 **COUNCIL**

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

25 "Article 62B.

26 "Spirituos Liquor Advisory Council.

27 **"§ 106-755.3. North Carolina Spirituous Liquor Advisory Council established.**

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

36 **"§ 106-755.4. Powers and duties of the Council.**

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

- 38 (1) To identify and implement methods for improving North Carolina's rank as a
39 spirituous liquor-producing State.
- 40 (2) To assure orderly growth and development of North Carolina's spirituous
41 liquor industry.
- 42 (3) To increase public awareness of the quality of North Carolina spirituous
43 liquor.
- 44 (4) To coordinate the interaction of North Carolina's spirituous liquor industry
45 with other segments of the State's economy such as tourism, retail trade, and
46 horticulture.
- 47 (5) To conduct methods of quality assurance of North Carolina's spirituous liquor
48 industry to create a sound foundation for further growth.
- 49 (6) To assist in the coordination of the activities of the various State agencies and
50 other organizations contributing to the development of the spirituous liquor
51 industry.

- 1 (7) To enter into agreements with any local, State, or national organizations or
2 agencies engaged in education for the purpose of disseminating information
3 on spirituous liquor projects.
- 4 (8) To develop a plan that identifies problems and constraints of the spirituous
5 liquor industry, proposes solutions to those problems, and delineates planning
6 mechanisms for the orderly growth of the industry.
- 7 (9) To render advice and recommendations, including legislative
8 recommendations, to the Commissioner regarding all of the above powers and
9 duties."

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

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

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

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

- 18 "(4) Sell spirituous liquor distilled at the distillery in closed containers to visitors
19 who tour the distillery for consumption off the premises. Sales under this
20 subdivision are allowed only in a county where the establishment of a county
21 or municipal ABC store has been approved pursuant to G.S. 18B-602(g) and
22 are subject to the time and day restrictions in ~~G.S. 18B-802~~, G.S. 18B-1004.
23 Spirituous liquor sold under this subdivision shall (i) be listed as a code item
24 for sale in the State, (ii) be sold at the price set by the Commission for the
25 code item pursuant to G.S. 18B-804(b), and (iii) have affixed to its bottle any
26 labeling requirements set by law. A bottle of spirituous liquor sold under this
27 subdivision may have personalized labeling affixed to it that includes any
28 other labeling requirements set by law. For purposes of this subdivision, the
29 term "personalized labeling" means the inclusion of the name of the purchaser
30 on the label."

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

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

34 "**§ 18B-1114.7. Authorization of spirituous liquor special event permit.**

35 (a) Authorization. – The holder of a supplier representative permit, brokerage
36 representative permit, or distillery permit issued under G.S. 18B-1105 may obtain a spirituous
37 liquor special event permit allowing the permittee to give free tastings of its spirituous liquors at
38 ABC stores where the local board has approved the tasting, trade shows, conventions, shopping
39 malls, street festivals, holiday festivals, agricultural festivals, farmers markets, balloon races,
40 local fund-raisers, and other similar events approved by the Commission. Additionally, the holder
41 of a supplier representative permit, brokerage representative permit, or distillery permit issued
42 under G.S. 18B-1105 may obtain a spirituous liquor special event permit allowing the permittee
43 to sell mixed beverages containing its spirituous liquor or sell its spirituous liquor in closed
44 containers at trade shows, conventions, shopping malls, street festivals, holiday festivals,
45 agricultural festivals, farmers markets, balloon races, local fund-raisers, and other similar events
46 approved by the Commission.

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

- 49 (1) The permit holder or the permit holder's authorized agent shall conduct the
50 consumer tasting event and the permit holder shall be solely responsible for
51

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

38"

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

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

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

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

45 **"§ 130A-247. Definitions.**

46 The following definitions shall apply throughout this Part:

47 ...

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

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

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

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

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

15 **"§ 130A-250. Exemptions.**

16 The following shall be exempt from this Part:

17 ...

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

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

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

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

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

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

28 **"§ 18B-1100. Commercial permits.**

29 The Commission may issue the following commercial permits:

30 ...

31 (21) Spiritous liquor special event permit."

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

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

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

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

40 **SECTION 7.1.(c)** Implementation. – Notwithstanding subsection (a) of 14B NCAC
41 15C .0307, a "growler" shall be defined as a rigid glass, ceramic, plastic, aluminum, or stainless
42 steel container with a closure or cap with a secure sealing that is no larger than 4 liters (1.0567
43 gallons) into which a malt beverage or unfortified wine is prefilled, filled, or refilled for
44 off-premises consumption.

45 **SECTION 7.1.(d)** Additional Rulemaking Authority. – The Commission shall adopt
46 a rule to amend the Growler Rule consistent with subsection (c) of this section. Notwithstanding
47 G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be
48 substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant
49 to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes.
50

1 Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1),
2 as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

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

6
7 **PART VIII. REVISE TERMINOLOGY**

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

9 "**§ 18B-800. Sale of alcoholic beverages in ABC stores.**

10 ...

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

35 ...

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

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

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

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

44 "(4) Sell spirituous liquor distilled or produced at the distillery in closed containers
45 to visitors who tour the distillery for consumption off the premises. Sales
46 under this subdivision are allowed only in a county where the establishment
47 of a county or municipal ABC store has been approved pursuant to
48 G.S. 18B-602(g). Spirituous liquor sold under this subdivision shall (i) be
49 listed as a code item for sale in the State, (ii) be sold at the price set by the
50 Commission for the code item pursuant to G.S. 18B-804(b), and (iii) have
51 affixed to its bottle any labeling requirements set by law. A bottle of spirituous

1 liquor sold under this subdivision may have personalized labeling affixed to
2 it that includes any other labeling requirements set by law. For purposes of
3 this subdivision, the term "personalized labeling" means the inclusion of the
4 name of the purchaser on the label."

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

6
7 **PART IX. DISTILLERIES/REMOVE TOUR REQUIREMENT FOR SALE OF BOTTLE**
8 **OF SPIRITUOUS LIQUOR FOR OFF-PREMISES CONSUMPTION**

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

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

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

27
28 **PART X. ALLOW DISTILLERIES TO SELL SPIRITUOUS LIQUOR PRODUCED BY**
29 **THE DISTILLER DIRECTLY TO CONSUMERS IN OTHER STATES**

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

31 "(2) Sell, deliver and ship spirituous liquor in closed containers at wholesale to (i)
32 exporters and local boards within the State, and, (ii) subject to the laws of
33 other jurisdictions, at wholesale or retail to consumers in other states or
34 nations, or private or public agencies or establishments of other states or
35 ~~nations.~~nations, except that the holder of a distillery permit may not sell,
36 deliver, or ship spirituous liquor at retail to consumers in jurisdictions that
37 require reciprocity in order to allow such sales, deliveries, or shipments."

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

40
41 **PART XI. CLARIFY LAW ON THE SALE, POSSESSION, AND CONSUMPTION OF**
42 **SPIRITUOUS LIQUOR AT A DISTILLERY**

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

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

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

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

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

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

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

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

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

15 16 **PART XII. ALLOW ABC AGE VERIFICATION WITH SPECIAL IDENTIFICATION** 17 **CARDS FROM OTHER STATES**

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

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

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

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

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

40 41 **PART XIII. ALLOW SALE AND DELIVERY OF MORE THAN ONE ALCOHOLIC** 42 **BEVERAGE DRINK AT COLLEGE OR UNIVERSITY STADIUM, ATHLETIC** 43 **FACILITY, ARENA, OR SPORTING EVENT**

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

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

47 48 **PART XIV. RULEMAKING, SAVINGS CLAUSE, AND EFFECTIVE DATE**

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

1 **SECTION 14.2.** Prosecutions for offenses committed before the effective date of
2 this act are not abated or affected by this act, and the statutes that would be applicable but for
3 this act remain applicable to those prosecutions.
4 **SECTION 14.3.** Except as otherwise provided, this act is effective when it becomes
5 law.