

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 1173

Short Title: ABC Permits in State Economic Zones. (Public)

Sponsors: Representatives Miller; Luebke and Weiss.

Referred to: Alcoholic Beverage Control.

April 12, 2001

A BILL TO BE ENTITLED

1
2 AN ACT TO REQUIRE THAT FOOD OR RETAIL BUSINESSES THAT HOLD
3 ABC PERMITS AND ARE LOCATED IN A STATE ECONOMIC ZONE SHALL
4 NOT HAVE ALCOHOLIC BEVERAGE SALES IN EXCESS OF FIFTY
5 PERCENT OF THE BUSINESS' TOTAL ANNUAL SALES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 18B-309 reads as rewritten:

8 "**§ 18B-309. Alcoholic beverage sales in Urban Redevelopment Areas.**

9 A food business as defined in G.S. 18B-1000(3), a retail business as defined in G.S.
10 18B-1000(7), or an eating establishment as defined in G.S. 18B-1000(2) that holds an
11 ABC permit under this Chapter and is located in a part of a city that has been designated
12 as an Urban Redevelopment Area under Article 22 of Chapter 160A of the General
13 Statutes or a State Economic Zone as defined in G.S. 105-129.3A(a) shall not have
14 alcoholic beverage sales in excess of fifty percent (50%) of the business's total annual
15 sales. Upon request of a city, the Commission shall investigate the total annual alcohol
16 sales and total sales of a business as defined in this section. The Commission shall
17 report the results of such an investigation to the city council, and the report shall contain
18 only the percentage of annual alcohol sales in proportion to the business's total annual
19 sales. A city may request an investigation of a particular business by the Commission
20 only once in each calendar year. These audits may be conducted by the Commission
21 only upon the request of the city council. Businesses covered by this section shall
22 maintain full and accurate monthly records of their finances, separately indicating each
23 of the following:

- 24 (1) Amounts expended by the business for the purchase of alcoholic
25 beverages and the quantity of alcoholic beverages purchased;
26 (2) Amounts collected from the sale of alcoholic beverages sold; and
27 (3) Amounts collected from the sale of food, nonalcoholic beverages, and
28 all other items sold by the business.

1 Records of purchases of alcoholic beverages and sales of alcoholic beverages shall
2 be filed separate and apart from all other records maintained on the premises, and all
3 records related to alcoholic beverages, including original invoices, shall be maintained
4 on the premises for three years and shall be open for inspection and audit pursuant to
5 G.S. 18B-502."

6 **SECTION 2.** G. S. 18B-904(e) reads as rewritten:

7 "(e) Business or Location No Longer Suitable. –

8 (1) The Commission may suspend or revoke a permit issued by it if, after
9 compliance with the provisions of Chapter 150 of the General Statutes,
10 it finds that the location occupied by the permittee is no longer a
11 suitable place to hold ABC permits or that the operation of the
12 business with an ABC permit at that location is detrimental to the
13 neighborhood. No order revoking or suspending an ABC permit
14 pursuant to this section may be made except upon substantial evidence
15 admissible under G.S. 150B-29(a).

16 (2) The Commission ~~shall~~will suspend or revoke a permit issued by it if a
17 permittee is in violation of G.S. 18B-309."

18 **SECTION 3.** This act becomes effective October 1, 2001.