

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 140\*

Short Title: No Purchase of Tennessee Liquor.

(Public)

Sponsors: Senators Winner and Swain.

Referred to: Judiciary I.

February 9, 1989

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT LOCAL ALCOHOLIC BEVERAGE CONTROL BOARDS  
3 FROM PURCHASING TENNESSEE SPIRITUOUS LIQUOR.

4 The General Assembly of North Carolina enacts:

5 Whereas, the State of Tennessee has imposed water color standards on rivers  
6 flowing into Tennessee which are technologically impossible for the plant of Champion  
7 International located in Canton, North Carolina, to meet; and

8 Whereas, the imposition of these color standards will require Champion  
9 International to terminate or severely decrease its production at this plant; and

10 Whereas, Champion, North Carolina, and Tennessee, by and through the  
11 Governors and Lieutenant Governors of North Carolina and Tennessee, negotiated and  
12 agreed upon a compromise whereby Champion International would be granted a  
13 variance, and Champion International would invest three hundred million dollars  
14 (\$300,000,000) in modernizing its plant and substantially improving the color of the  
15 water; and

16 Whereas, Tennessee has reneged on this compromise agreement without  
17 regard to the enormous devastation to North Carolina that the closing of the plant would  
18 cause by the direct and indirect loss of thousands of jobs and markets for raw materials  
19 and supplies; and

20 Whereas, Tennessee should realize that decisions harming the economy of  
21 North Carolina have economic consequences to Tennessee; Now, therefore,  
22 The General Assembly of North Carolina enacts:

23 Section 1. G.S. 18B-701 reads as rewritten:

24 "§ 18B-701. Powers of local ABC boards.

1 A local board shall have authority to:

- 2 (1) Buy, sell, transport, and possess alcoholic beverages as necessary for  
3 the operation of its ABC stores; provided, however, no local board  
4 may buy spirituous liquor that is purchased from a Tennessee vendor  
5 or that is manufactured in Tennessee;  
6 (2) Adopt rules for its ABC system, subject to the approval of the  
7 Commission;  
8 (3) Hire and fire employees for the ABC system;  
9 (4) Designate one employee as manager of the ABC system and determine  
10 his responsibilities;  
11 (5) Require bonds of employees as provided in the rules of the  
12 Commission;  
13 (6) Operate ABC stores as provided in Article 8;  
14 (7) Issue purchase-transportation permits as provided in Article 4;  
15 (8) Employ local ABC officers or make other provision for enforcement  
16 of ABC laws as provided in Article 5;  
17 (9) Borrow money as provided in G.S. 18B-702;  
18 (10) Buy and lease real and personal property, and receive property  
19 bequeathed or given, as necessary for the operation of the ABC  
20 system;  
21 (11) Invest surplus funds as provided in G.S. 18B-702;  
22 (12) Dispose of property in the same manner as a city council may under  
23 Article 12 of Chapter 160A of the General Statutes; and  
24 (13) Perform any other activity authorized or required by the ABC law."

25 Sec. 2. This act is effective upon ratification and applies to any contracts for  
26 the purchase of spirituous liquor entered into after that date and to any existing contracts  
27 where the local board is not obligated to make any future purchase.