

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 607
House Committee Substitute Favorable 7/12/99
Third Edition Engrossed 7/14/99

Short Title: ABC Permit Modifications.

(Public)

Sponsors:

Referred to:

March 29, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE ALCOHOLIC BEVERAGE CONTROL
3 COMMISSION TO ISSUE CERTAIN PERMITS.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 18B-101 is amended by adding a new subdivision to read:

6 “(7a) 'Historic ABC establishment' means a restaurant or hotel that meets all
7 of the following requirements:

8 a. Is on the national register of historic places.

9 b. Is a property designed to attract local, State, national, and
10 international tourists located on a State Route (SR) and with a
11 property line located within 1.5 miles of the intersection of a
12 designated North Carolina scenic byway as defined in G.S. 136-
13 18(31).

14 c. Is located within 15 miles of a national scenic highway.

15 d. Is located in a county in which the on-premises sale of malt
16 beverages or unfortified wine is authorized in two or more cities
17 in the county.”

18 Section 2. G.S. 18B-1006 is amended by adding a new subsection to read:

1 "(n) National Historic Landmark District. – The Commission may issue permits
2 listed in G.S. 18B-1001(10), without approval at an election, to qualified establishments
3 defined in G.S. 18B-1000(4) and (6) located within a National Historical Landmark as
4 defined in 16 U.S.C. § 470a(a)(1)(B) located in a county that meets all of the following
5 requirements:

6 (1) Has approved the sale of malt beverages and unfortified wine but not
7 mixed beverages.

8 (2) Has at least one city that has approved the operation of an ABC store
9 and the sale of mixed beverages.

10 (3) Has at least 150,000 population based on the last federal census."

11 Section 3. G.S. 18B-603(f) reads as rewritten:

12 "(f) Permits Not Dependent on Elections. – The Commission may issue the
13 following kinds of permits without approval at an election:

14 (1) Special occasion permits;

15 (2) Limited special occasion permits;

16 (3) Brown-bagging permits for private clubs and congressionally chartered
17 veterans organizations;

18 (4) Culinary permits, except as restricted by subdivision (d)(5);

19 (5) Special one-time permits issued under G.S. 18B-1002;

20 (6) All permits listed in G.S. 18B-1100;

21 (7) On-premises malt beverage permits and on-premises unfortified wine
22 permits for a tourism ABC establishment- establishment;

23 (8) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for
24 historic ABC establishments."

25 Section 4. G.S. 18B-404(b) reads as rewritten:

26 "(b) Issuance. – If mixed beverages sales have been approved for an establishment
27 under the last paragraph of G.S. 18B-603(d)–G.S. 18B-603(d1) or under G.S. 18B-603(e),
28 the purchase-transportation permit for that establishment may be issued by the local
29 board of any city located in the same county as the establishment, provided the city has
30 approved the sale of mixed beverages. Otherwise a licensed establishment may obtain a
31 mixed beverages purchase-transportation permit only from the local board for the
32 jurisdiction in which it is located. If there is no ABC store within the establishment's
33 jurisdiction, then the mixed beverages permittee shall obtain a mixed beverages purchase-
34 transportation permit from the nearest and most convenient ABC store."

35 Section 5. G.S. 18B-305 is amended by adding a new subsection to read:

36 "(c) Notwithstanding subsection (b) of this section, no permittee may refuse to sell
37 alcoholic beverages to a person solely based on that person's race, religion, color,
38 national origin, sex, or disability."

39 Section 6. G.S. 18B-603(d) reads as rewritten:

40 "(d) Mixed Beverage Elections. – If a mixed beverage election is held under G.S.
41 18B-602(h) and the sale of mixed beverages is approved, the Commission may issue
42 permits to qualified persons and establishments in the jurisdiction that held the election as
43 follows:

- 1 (1) The Commission may issue mixed beverage permits.
- 2 (2) The Commission may issue on-premises malt beverage, unfortified
3 wine, and fortified wine permits for establishments with mixed beverage
4 permits, regardless of any other election or any local act concerning
5 sales of those kinds of alcoholic beverages.
- 6 (3) The Commission may issue off-premises malt beverage permits to any
7 establishment that meets the requirements under G.S. 18B-1001(2) in
8 any township which has voted to permit the sale of mixed beverages,
9 regardless of any other local act concerning sales of those kinds of
10 alcoholic beverages. The Commission may also issue off-premises
11 unfortified wine permits to any establishment that meets the
12 requirements under G.S. 18B-1001(4) in any township which has voted
13 to permit the sale of mixed beverages, regardless of any other local act
14 concerning sales of those kinds of alcoholic beverages.
- 15 (4) The Commission may issue brown-bagging permits for private clubs
16 and congressionally chartered veterans organizations but may no longer
17 issue and may not renew brown-bagging permits for restaurants, hotels,
18 and community theatres. A restaurant, hotel, or community theatre may
19 not be issued a mixed beverage permit under subdivision (1) until it
20 surrenders its brown-bagging permit.
- 21 (5) The Commission may continue to issue culinary permits for
22 establishments that do not have mixed beverage permits. An
23 establishment may not be issued a mixed beverage permit under
24 subdivision (1) until it surrenders its culinary permit.

25 (d1) In any county in which the sale of mixed beverages has been approved in
26 elections in at least three cities that, combined, contain more than two-thirds the total
27 county population as of the most recent federal census, the county board of
28 commissioners may by resolution approve the sale of mixed beverages throughout the
29 county, and the Commission may issue permits as if mixed beverages had been approved
30 in a county election.

31 (d2) If a county or city holds a mixed beverage election and an ABC store election
32 at the same time and the voters do not approve the establishment of an ABC store, the
33 Commission may not issue mixed beverages permits in that county or city."

34 Section 7. G.S. 18B-603(h) reads as rewritten:

35 "(h) Permits Based on Existing Permits. – In any county in which the sale of malt
36 beverage on and off premises, the sale of unfortified wine on and off premises, the sale of
37 mixed beverages, and the operation of an ABC system has been allowed in at least six
38 cities in the county, or in any county adjacent to that county in which an ABC system has
39 been allowed and which borders on the Atlantic Ocean, the Commission may issue
40 permits to sports clubs as defined in G.S. 18B-1000(8) throughout the county. The
41 Commission may issue the following permits:

- 42 (1) On and Off Premises Malt Beverage;
- 43 (2) On and Off Premises Unfortified Wine;

1 (3) On and Off Premises Fortified Wine; or

2 (4) Mixed Beverages.

3 The Commission may also issue on-premises malt beverage, unfortified wine,
4 fortified wine and mixed beverages permits to a sports club located in a county adjacent
5 to any county that has approved the sale of mixed beverages pursuant to ~~the last paragraph~~
6 ~~of G.S. 18B-603(d),~~ G.S. 18B-603(d1), if the county in which the sports club is located
7 borders another state and has at least one city that has approved the sale of mixed
8 beverages. Sports clubs holding mixed beverages permits shall purchase their spirituous
9 liquor at the nearest ABC system store that is located in the county.

10 The Commission may further issue on-premises malt beverage and on-premises
11 unfortified wine permits to a sports club located in a county bordering on another state
12 that is adjacent to any county in which permits were issued pursuant to this subsection
13 prior to August 1, 1993. The sports clubs must be located in the unincorporated areas of a
14 county, in which the sale of malt beverages and unfortified wine is not permitted, and
15 where there are six or more municipalities in that county where the sale of malt beverages
16 and unfortified wine is permitted."

17 Section 8. G.S. 18B-805(f) reads as rewritten:

18 "(f) Surcharge Profit Shared. – When, pursuant to ~~the last paragraph of G.S. 18B-~~
19 ~~603(d),~~ G.S. 18B-603(d1), spirituous liquor is bought at a city ABC store by a mixed
20 beverages permittee for premises located outside the city, the local board operating the
21 store at which the sale is made shall retain seventy-five percent (75%) of the local share
22 of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest
23 room cabinet surcharge required by G.S. 18B-804(b)(9) and the remaining twenty-five
24 percent (25%) shall be divided equally among the local ABC boards for all other cities in
25 the county that have authorized the sale of mixed beverages.

26 When, pursuant to G.S. 18B-603(e), spirituous liquor is bought at a city ABC store by
27 a mixed beverages permittee for premises located at an airport outside the city, the local
28 share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the
29 guest room cabinet surcharge required by G.S. 18B-804(b)(9) shall be divided equally
30 among the local ABC boards for all cities in the county that have authorized the sale of
31 mixed beverages."

32 Section 9. G.S. 18B-603(h) reads as rewritten:

33 "(h) Permits Based on Existing Permits. – In any county ~~in~~ which borders on the
34 Atlantic Ocean and where:

35 (1) ~~the~~ The sale of malt beverage on and off premises, the sale of unfortified
36 wine on and off premises, the sale of mixed beverages, and the
37 operation of an ABC system has been allowed in at least six cities in the
38 county, or in any county adjacent to that county in which an ABC
39 system has been ~~allowed and which borders on the Atlantic Ocean,~~ allowed;
40 or

41 (2) The sale of malt beverage on and off premises, the sale of unfortified
42 wine on and off premises, the sale of mixed beverages, and the

1 operation of an ABC system has been allowed in at least eight cities in
2 the county.

3 the Commission may issue permits to sports clubs as defined in G.S. 18B-1000(8)
4 throughout the county.

5 The Commission may issue the following permits:

- 6 (1) On and Off Premises Malt Beverage;
- 7 (2) On and Off Premises Unfortified Wine;
- 8 (3) On and Off Premises Fortified Wine; or
- 9 (4) Mixed Beverages.

10 The Commission may also issue on-premises malt beverage, unfortified wine,
11 fortified wine and mixed beverages permits to a sports club located in a county adjacent
12 to any county that has approved the sale of mixed beverages pursuant to ~~the last paragraph~~
13 ~~of G.S. 18B-603(d),~~ G.S. 18B-603(d1), if the county in which the sports club is located
14 borders another state and has at least one city that has approved the sale of mixed
15 beverages. Sports clubs holding mixed beverages permits shall purchase their spirituous
16 liquor at the nearest ABC system store that is located in the county.

17 The Commission may further issue on-premises malt beverage and on-premises
18 unfortified wine permits to a sports club located in a county bordering on another state
19 that is adjacent to any county in which permits were issued pursuant to this subsection
20 prior to August 1, 1993. The sports clubs must be located in the unincorporated areas of a
21 county, in which the sale of malt beverages and unfortified wine is not permitted, and
22 where there are six or more municipalities in that county where the sale of malt beverages
23 and unfortified wine is permitted."

24 Section 10. G.S. 18B-1006(j) reads as rewritten:

25 "(j) Recreation Districts. – Notwithstanding the provisions of Article 6 of this
26 Chapter, the Commission may issue permits for the sale of malt beverages, unfortified
27 wine, fortified wine, and mixed beverages to qualified businesses in a recreation district.

28 A "recreation district" ~~is:~~ is an area that meets any of the following requirements:

- 29 (1) An area that is located in a county that has not approved the issuance of
30 permits, has at least two cities that have approved the sale of malt
31 beverages, wine, and the operation of an ABC store, and contains a
32 facility of at least 450 acres where five or more public auto racing
33 events are held each ~~year;~~ or year.
- 34 (2) An area that is located in a county that borders a county which has held
35 elections pursuant to G.S. 18B-600(f) and borders on another state and
36 which (i) contains a facility of at least 225 acres where four or more
37 public auto racing events are held each year or (ii) contains a facility of
38 at least 140 acres where 80 or more motor sports events are held each
39 year.
- 40 (3) The A recreation district includes the area within a half-mile radius of
41 the a racing facility. ~~facility that meets the requirements of subdivision~~
42 (1) or (2) of this subsection.

- 1 (4) An area of at least 150 acres that offers any of the following facilities or
2 services: Lodging, retail outlets, meeting facilities, restaurants, a white
3 water rafting training facility, or other outdoor recreation activities and
4 is located in a county that meets all of the following requirements:
5 a. Borders another state.
6 b. Contains part of the only National Park located in North
7 Carolina.
8 c. Has only one city that has a local ABC system and has
9 authorized the off-premises sale of malt beverages and the on-
10 premises sale of unfortified wine, fortified wine, and mixed
11 alcoholic beverages."

12 Section 11. Section 4 of Chapter 629 of the 1989 Session Laws reads as
13 rewritten:

14 "Sec. 4. This act shall not include Columbus, Caswell, Person, Granville, Vance,
15 Warren, Halifax, Robeson, Cleveland, Rutherford, ~~Macon~~, Polk, Davidson, and Davie
16 Counties."

17 Section 12. G.S. 18B-1006(m) reads as rewritten:

18 "(m) Interstate Interchange Economic Development Zones. –

- 19 (1) The Commission may issue permits listed in G.S. 18B-1001(10),
20 without approval at an election, to qualified establishments defined in
21 G.S. 18B-1000(4), (6), and (8) located within one mile of an interstate
22 highway interchange located in a county that:
23 ~~(1)~~ a. Has approved the sale of malt beverages, unfortified wine, and
24 fortified wine, but not mixed beverages;
25 ~~(2)~~ b. Operates ABC stores;
26 ~~(3)~~ c. Borders on another state; and
27 ~~(4)~~ d. Lies north and east of the Roanoke River.
28 (2) The Commission may issue permits listed in G.S. 18B-1001(1), (3), (5),
29 and (10) to qualified establishments defined in G.S. 18B-1000(4), (6),
30 and (8) and may issue permits listed in G.S. 18B-1001(2) and (4) to
31 qualified establishments defined in G.S. 18B-1000(3) in any county that
32 qualifies for issuance of permits pursuant to G.S. 18B-1006(k)(5).
33 These permits may be issued without approval at an election and shall
34 be issued only to qualified establishments that meet any of the following
35 requirements:
36 a. Located within one mile of any interstate highway interchange in
37 that county.
38 b. Located within one mile of an establishment issued a permit
39 under G.S. 18B-1006(k)(5).
40 (3) The Commission may issue permits listed in G.S. 18B-1001(10),
41 without approval at an election, to qualified establishments defined in
42 G.S. 18B-1000(4), (6), and (8) located within one mile of an interstate

1 highway interchange located in a county that meets all of the following
2 requirements:

- 3 a. Has approved the sale of malt beverages, unfortified wine,
4 fortified wine, but not mixed beverages.
5 b. Contains one city that has approved the sale of malt beverages,
6 unfortified wine, fortified wine, and mixed beverages.
7 c. Operates ABC stores.
8 d. Lies south and west of the Roanoke River and shares a common
9 border with a county qualifying in subdivision (1) of this
10 subsection.

11 This subsection shall also apply to an establishment in a county included in
12 subdivision (3) of this subsection if the establishment is located within two miles of
13 an interstate highway interchange that is within three miles of the common border
14 described in sub-subdivision (3)d. of this subsection."

15 Section 13. G.S. 18B-101(14a) reads as rewritten:

16 "(14a) "Tourism ABC establishment" means a restaurant or hotel that meets
17 both of the following requirements:

- 18 a. Is located on property, a property line of which is located within
19 1.5 miles of the end of an entrance or exit ramp of a junction on a
20 national scenic parkway designed to attract local, State, national,
21 and international tourists between ~~Milepost 305 and the State line~~
22 and Milepost 460.
23 b. Is located in a county in which the on-premises or off-premises
24 sale of malt beverages or unfortified wine is authorized in at least
25 one city."

26 Section 14. G.S. 18B-1006(k) reads as rewritten:

27 "(k) Residential Private Club and Sports Club Permits. – The Commission may
28 issue the permits listed in G.S. 18B-1001, without approval at an election, to a residential
29 private club or a sports club that is located in a county that meets the requirements set in
30 any of the following subdivisions:

- 31 ...
32 (8) Has an 18-hole golf course; is in the coastal area as defined in G.S.
33 113A-103, but only because it is adjacent to, adjoining, intersected by,
34 or bounded by a coastal sound; which does not allow countywide sales
35 of mixed beverages; which does not border another state; with a
36 population of less than 15,000 according to the most recent decennial
37 federal census; which does not have a city which has authorized the sale
38 of mixed beverages; and which has least two cities with ABC systems.

39 ...

40 The mixed beverages purchase-transportation permit authorized by G.S. 18B-404(b)
41 shall be issued by a local board operating a store operated in the county."

42 Section 15. This act is effective when it becomes law.