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HOUSE BILL 1088
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Senate Commerce Committee Substitute Adopted 9/24/02

Short Title: ABC Amendments.

(Public)

Sponsors:

Referred to:

April 11, 2001

A BILL TO BE ENTITLED

AN ACT TO AMEND THE ALCOHOLIC BEVERAGE CONTROL LAWS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-603(f) reads as rewritten:

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

- (1) Special occasion permits;
- (2) Limited special occasion permits;
- (3) Brown-bagging permits for private clubs and congressionally chartered veterans organizations;
- (4) Culinary permits, except as restricted by subdivision (d)(5);
- (5) Special one-time permits issued under G.S. 18B-1002;
- (6) All permits listed in G.S. 18B-1100;
- (7) ~~On premises malt beverage permits and on premises unfortified wine permits~~ The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for a tourism ABC establishment;
- (8) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism resorts;
- (9) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for historic ABC establishments."

SECTION 2. G.S. 18B-1006(m) reads as rewritten:

"(m) Interstate Interchange Economic Development Zones. –

- (1) The Commission may issue permits listed in G.S. 18B-1001(10), without approval at an election, to qualified establishments defined in G.S. 18B-1000(4), (6), and (8) located within one mile of an interstate highway interchange located in a county that:
 - a. Has approved the sale of malt beverages, unfortified wine, and fortified wine, but not mixed beverages;

- 1 b. Operates ABC stores;
2 c. Borders on another state; and
3 d. Lies north and east of the Roanoke River.
- 4 (2) The Commission may issue permits listed in G.S. 18B-1001(1), (3),
5 (5), and (10) to qualified establishments defined in G.S. 18B-1000(4),
6 (6), and (8) and may issue permits listed in G.S. 18B-1001(2) and (4)
7 to qualified establishments defined in G.S. 18B-1000(3) in any county
8 that qualifies for issuance of permits pursuant to G.S. 18B-1006(k)(5).
9 These permits may be issued without approval at an election and shall
10 be issued only to qualified establishments that meet any of the
11 following requirements:
- 12 a. Located within one mile of any interstate highway interchange
13 in that county.
14 b. Located within one mile of an establishment issued a permit
15 under G.S. 18B-1006(k)(5).
- 16 (3) The Commission may issue permits listed in G.S. 18B-1001(10),
17 without approval at an election, to qualified establishments defined in
18 G.S. 18B-1000(4), (6), and (8) located within one mile of an interstate
19 highway interchange located in a county that meets all of the following
20 requirements:
- 21 a. Has approved the sale of malt beverages, unfortified wine,
22 fortified wine, but not mixed beverages.
23 b. Contains one city that has approved the sale of malt beverages,
24 unfortified wine, fortified wine, and mixed beverages.
25 c. Operates ABC stores.
26 d. Lies south and west of the Roanoke River and shares a common
27 border with a county qualifying in subdivision (1) of this
28 subsection.
- 29 This subsection shall also apply to an establishment in a county
30 included in subdivision (3) of this subsection if the establishment is
31 located within two miles of an interstate highway interchange that is
32 within three miles of the common border described in sub-subdivision
33 (3)d. of this subsection.
- 34 (4) The Commission may issue the permits listed in G.S. 18B-1001,
35 without approval at an election, to a restaurant that is located in a
36 county that has not approved the issuance of any permits, borders on
37 one of the two largest counties in the State, has a federal interstate
38 highway running through it, and has at least six cities that have
39 approved the sale of some malt beverages and unfortified wine and
40 four of which have approved ABC systems."

41 **SECTION 3.** G.S. 18B-101(14b) reads as rewritten:

42 "(14b) "Tourism resort" means:

- 43 a. Any restaurant and lodging facility, whether public or private,
44 owned and operated as a resort property offering food,

1 beverage, lodging, and meeting facilities to travelers and
 2 tourists and featuring one or more golf courses and two or more
 3 tennis courts along with other recreational and sporting
 4 activities, ~~or~~

5 b. Any restaurant, whether public or private, owned and operated
 6 as a resort property offering food and beverage to travelers and
 7 tourists and featuring an equestrian center and two or more
 8 tennis courts along with other recreational and sporting
 9 ~~activities.~~activities, or

10 c. Any restaurant and lodging facility, whether public or private,
 11 owned and operated as a resort property offering food,
 12 beverage, lodging, and meeting facilities to travelers and
 13 tourists and which from the resort property are initiated outdoor
 14 recreational activities featuring water-related sports and
 15 bicycling.

16 Receipts from sporting and recreational activities of a tourism resort
 17 shall be at least twenty-five percent (25%) of total gross receipts.
 18 Receipts from the sale of alcoholic beverages shall not exceed fifty
 19 percent (50%) of total gross receipts. A tourism resort open to the
 20 public shall advertise at least quarterly in a regional or national travel
 21 or sports industry publication, or in the State travel guide published by
 22 the North Carolina Department of Commerce."

23 **SECTION 4.** G.S. 18B-101(14a) reads as rewritten:

24 "(14a) "Tourism ABC establishment" means a restaurant or hotel that meets
 25 ~~both~~one of the following requirements:

26 a. Is located on property, a property line of which is located within
 27 1.5 miles of the end of an entrance or exit ramp of a junction on
 28 a national scenic parkway designed to attract local, State,
 29 national, and international tourists between the State line and
 30 ~~Milepost 460.~~

31 ~~b. Is located~~Milepost 460, in a county in which the on-premises or
 32 off-premises sale of malt beverages or unfortified wine is
 33 authorized in at least one city.

34 b. Is located in an area of a district established for fire protection
 35 purposes where mixed beverages have been approved by two or
 36 more municipalities in that district, all located in a county that
 37 borders on the Atlantic Ocean."

38 **SECTION 5.** G.S. 18B-101(13a) reads as rewritten:

39 "(13a) "Special ABC area" means an area that meets the following
 40 requirements:

41 Either:

42 a. The area has fewer than 500 permanent residents, and the area:

43 1. Is located in a county that borders another state, that has
 44 at least one city that has approved the operation of an

- 1 ABC store, and in which the sale of unfortified wine and
2 malt beverages is permitted countywide or in one city;
3 and
4 2. Contains more than 500 contiguous acres made up of
5 privately-owned land and land owned by an association
6 or a club that is exempt from income tax on its
7 membership income under Article 4 of Chapter 105 of
8 the General Statutes, has more than 200 members, was
9 created for municipal and recreational purposes, and, for
10 three or more years, has levied assessments or dues and
11 provided municipal services; or
12 b. The area has more than 500 permanent residents, and the area:
13 1. Is located in a county:
14 I. Where ABC stores have heretofore been
15 established but in which the sale of mixed
16 beverages has not been approved;
17 II. That borders on a county that has approved the
18 sale of alcoholic beverages countywide and
19 contains an international airport; and
20 III. Borders on a county where ABC stores have
21 heretofore been established by petition pursuant
22 to law; and
23 2. Contains more than 500 contiguous acres made up of
24 privately-owned land and land owned by an association
25 or a club that is exempt from income tax on its
26 membership income under Article 4 of Chapter 105 of
27 the General Statutes, has more than 200 members, was
28 created for municipal and recreational purposes, and, for
29 three or more years, has levied assessments or dues and
30 provided municipal services; or
31 e. ~~The area is an area of a county where the following~~
32 ~~requirements are met:~~
33 1. ~~The county borders on the Atlantic Ocean and has a~~
34 ~~seaport supporting oceangoing vessels;~~
35 2. ~~ABC stores have been established in the county and the~~
36 ~~sale of mixed beverages is allowed in six or more~~
37 ~~municipalities;~~
38 3. ~~The population of the county, according to the 2000~~
39 ~~census, exceeds 52,000;~~
40 4. ~~The tourism economy of the county is made up of more~~
41 ~~than 3,000 tourism-related jobs; and~~
42 5. ~~Tourism expenditures within the county exceed two~~
43 ~~hundred million dollars (\$200,000,000)~~
44 ~~annually.~~ services."

1 **SECTION 6.** G.S. 18B-1000(8) reads as rewritten:

2 "**§ 18B-1000. Definitions concerning establishments.**

3 The following requirements and definitions shall apply to this Chapter:

4 ...

5 (8) Sports club. – Any of the following:

6 a. An establishment substantially engaged in the business of
7 providing an 18-hole golf course, two or more tennis courts, or
8 both. The sports club can either be open to the general public or
9 to members and their guests. To qualify as a sports club, an
10 establishment's gross receipts for club and other recreational
11 activities shall be greater than its gross receipts for alcoholic
12 beverages. This provision does not prohibit a sports club from
13 operating a restaurant. Receipts for food shall be included in
14 with the club activity fee.

15 b. An establishment located on property that is within 100 yards of
16 the closest boundary of the property on which a sports club as
17 defined in sub-subdivision a. of this subdivision is located, if
18 the establishment is a food business that is in direct competition
19 with the neighboring sports club for the sale of food, beverages,
20 or tobacco products. To qualify as a sports club under this sub-
21 subdivision, an establishment shall have been operating as a
22 food business at its current location prior to the issuance of any
23 permits to the neighboring sports club pursuant to this Chapter.
24 Notwithstanding G.S. 18B-603(h) and G.S. 18B-1006(k), an
25 establishment that qualifies as a sports club under this sub-
26 subdivision is eligible only for those permits that are issuable to
27 food businesses under G.S. 18B-1001."

28 **SECTION 7.** G.S. 18B-1000(1a) reads as rewritten:

29 "(1a) Convention center. – An establishment that meets either of the
30 following requirements:

31 a. A publicly owned or operated establishment that is engaged in
32 the business of sponsoring or hosting conventions and similar
33 large gatherings.

34 b. A privately owned facility located in a city that has a population
35 of at least 200,000 but not more than 250,000 by the 2000
36 federal census. To qualify as a convention center under this sub-
37 subdivision, the facility shall meet each of the following
38 requirements:

39 1. The facility shall be located within an area that has been
40 designated as an Urban Redevelopment Area under
41 Article 22 of Chapter 160A of the General Statutes and
42 shall be certified by the appropriate local official as
43 being consistent with the city's redevelopment plan for
44 the area in which the facility is located.

- 1 2. The facility shall contain at least 7,500 square feet of
2 floor space that is available for public use and shall be
3 used exclusively for banquets, receptions, meetings, and
4 similar gatherings.
- 5 3. The facility's annual gross receipts from the sale of
6 alcoholic beverages shall be less than fifty percent (50%)
7 of the gross receipts paid to all providers at permitted
8 functions for food, nonalcoholic beverages, alcoholic
9 beverages, service, and facility usage fees (excluding
10 receipts or charges for entertainment and ancillary
11 services not directly related to providing food and
12 beverage service). The person to whom a permit has
13 been issued for a privately owned facility shall be
14 required to maintain copies of all contracts and invoices
15 for items supplied by providers for a period of three
16 years from the date of the event.

17 Convention centers shall include auditoriums, armories, civic centers,
18 ~~convention centers,~~ and coliseums. A permit issued for a convention
19 center shall be valid only for those parts of the building used for
20 ~~conventions and banquets~~ conventions, banquets, receptions, and other
21 similar events and only during ~~regularly~~ regularly ~~scheduled conventions and~~
22 ~~banquets.~~ events."

23 **SECTION 8.** This act is effective when it becomes law.
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