

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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**HOUSE BILL 198
Committee Substitute Favorable 3/5/25
Senate Commerce and Insurance Committee Substitute Adopted 5/22/26**

Short Title: ABC Omnibus of 2026.

(Public)

Sponsors:

Referred to:

February 26, 2025

A BILL TO BE ENTITLED
AN ACT TO AMEND THE LAWS OF THIS STATE RELATED TO ALCOHOLIC
BEVERAGES AND RAFFLES.

The General Assembly of North Carolina enacts:

PART I. ABC WAREHOUSE LOAN

**ALLOW ABC COMMISSION TO OBTAIN A LOAN FOR A NEW STATE
WAREHOUSE**

SECTION 1.(a) Notwithstanding G.S. 18B-208, the Alcoholic Beverage Control Commission may, with the approval of the Governor, obtain a one-time loan of up to three hundred ten million dollars (\$310,000,000) from a financial institution to be used for planning, design, construction, and equipping of a new automated warehouse and associated offices for the Commission, provided that the Commission may not pledge real property owned by the State of North Carolina as collateral. The Commission's obtaining of a loan shall not directly or indirectly or contingently obligate the State to levy or to pledge any form of taxation or to make any appropriation for repayment of the loan. Notwithstanding G.S. 18B-902(g), the Commission shall repay the loan, including interest, from the proceeds of permit fees collected by the Commission. The Commission may prepay any obligation under this section, in whole or in part, without penalty unless the loan agreement expressly provides otherwise. To the extent the proceeds from the fees referenced in this subsection are deemed unappropriated, they are hereby appropriated for the purpose of repaying the loan described in this subsection. For purposes of this section, the term "financial institution" means any banking corporation or trust company, savings and loan association, credit union, insurance company, or related corporation, partnership, foundation, or other institution engaged primarily in lending or investing funds.

SECTION 1.(b) This section becomes effective July 1, 2026.

PART II. ABC TECHNICAL AND CLARIFYING CHANGES

BROWN-BAGGING TECHNICAL CORRECTION

SECTION 2. G.S. 18B-603(d) reads as rewritten:

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

...



(4) The Commission may issue brown-bagging permits for bars, private clubs, clubs, and congressionally chartered veterans organizations but may no longer issue and may not renew brown-bagging permits for restaurants, hotels, and community theatres. A restaurant, hotel, or community theatre may not be issued a mixed beverage permit under subdivision (1) until it surrenders its brown-bagging permit.
"

AIRPORT TECHNICAL CORRECTION

SECTION 3. G.S. 18B-300.3 reads as rewritten:

"§ 18B-300.3. Possession and consumption of alcoholic beverages in the security-screened area of airports.

(a) During the hours of airport operation, any establishment permitted under subdivision (1), (3), (5), or (10) of ~~G.S. 18B-1000~~ G.S. 18B-1001 and operating in the Transportation Security Administration-screened portion of an airport may, with the written approval of the airport authority, sell the alcoholic beverages it is permitted to sell for consumption throughout the Transportation Security Administration-screened portion of the establishment's respective airport terminal.

(b) An alcoholic beverage served for consumption throughout an establishment's airport terminal shall be served in a container that meets all of the following requirements:

- (1) The container is not comprised of glass.
- (2) The container displays, in no less than 12-point font, the statement, "Drink Responsibly – Be 21."
- (3) The container shall not hold more than 16 fluid ounces.

(c) A customer may purchase and consume alcoholic beverages throughout the interior of the Transportation Security Administration-screened portion of the respective airport terminal, provided that the purchase is from an approved establishment permitted under subdivision (1), (3), (5), or (10) of ~~G.S. 18B-1000~~ G.S. 18B-1001.

(d) This section applies only to airports that service airplanes boarding at least 150,000 passengers annually."

CLARIFY PERMISSION TO TAKE MIXED BEVERAGES ONTO PERMITTED PREMISES IN A SOCIAL DISTRICT

SECTION 4. G.S. 18B-300.1(f) reads as rewritten:

"(f) Limitations on Open Containers. – Except where otherwise allowed by local ordinance, the possession and consumption of an open container of an alcoholic beverage in a social district is subject to all of the following requirements:

- ...
- (6) Notwithstanding G.S. 18B-300 and G.S. 18B-301, a permittee or non-permittee business may allow a customer to possess and consume on the business's premises alcoholic beverages purchased from a permittee in the social district. A permittee business that is not permitted to sell mixed beverages may allow a customer to possess and consume on the business's premises mixed beverages purchased from a mixed beverages permittee in the social district.

DELIVERY SERVICES PERMIT TECHNICAL CORRECTIONS

SECTION 5. G.S. 18B-1001.4 reads as rewritten:

"§ 18B-1001.4. Authorization of delivery service permit.

(a) Authorization. – The holder of a delivery service permit, or the permit holder's employee or independent contractor, may deliver malt beverages, unfortified wine, or fortified

1 wine on behalf of a retailer holding a permit issued pursuant to subdivisions (1) through (6) and
 2 (16) of G.S. 18B-1001, and single-serving wine drinks or mixed beverages on behalf of a retailer
 3 holding a permit issued pursuant to subdivision (3), (5), or (10) of G.S. 18B-1001 when delivered
 4 in accordance with the requirements of those subdivisions, to a location designated by the
 5 purchaser. A delivery service permittee may also facilitate delivery through technology services
 6 that connect consumers and licensed retailers through the use of the Internet, mobile applications,
 7 and other similar technology.

8 ...

9 (e) Scope and Construction. – A delivery service permit is not required for a common
 10 carrier lawfully transporting or shipping alcoholic beverages. Nothing in this section shall be
 11 construed as exempting the delivery of alcoholic beverages pursuant to a delivery service permit
 12 from the requirements set forth in Article 4 of Chapter 18B of the General Statutes. Nothing in
 13 this section shall be construed to require a technology services company to obtain a delivery
 14 service permit if the company does not employ or contract with delivery drivers, but rather
 15 provides software or an application that connects consumers and licensed retailers for the
 16 delivery of alcoholic beverages from the licensed retailer. Nothing in this section shall be
 17 construed to require a retailer that holds a permit issued pursuant to subdivisions (1) through (6),
 18 (10), and (16) of G.S. 18B-1001 to obtain a delivery service permit in order for employees of the
 19 retail permittee to deliver malt beverages, unfortified wine, or fortified wine to a location
 20 designated by the ~~purchaser, purchaser~~; however, the other provisions of this section apply to the
 21 retailer.

22"

23 24 **CLARIFY SAFE HARBOR FOR LATE ABC PERMIT RENEWALS**

25 **SECTION 6.(a)** G.S. 18B-903 reads as rewritten:

26 "**§ 18B-903. Duration of permit; renewal and transfer.**

27 (a) Duration. – Once issued, ABC permits shall be valid for the following periods, unless
 28 earlier surrendered, suspended or revoked:

29 ...

30 (5) All other ABC permits shall be valid ~~for one year,~~ from May 1 to ~~April 30.~~ May
 31 31 of the following year, as provided in subsection (b3) of this section.

32 (b) Renewal. – Application for renewal of an ABC permit shall be on a form provided
 33 by the Commission. An application for renewal shall be accompanied by an application fee. The
 34 application fee shall be the same amount as the initial fee set in G.S. 18B-902, except that the
 35 renewal application fee for each wine shop permit or malt beverage shop permit shall be five
 36 hundred dollars (\$500.00), and the renewal application fee for each mixed beverages permit and
 37 each guest room cabinet permit shall be one thousand dollars (\$1,000). The fee shall be paid by
 38 May 1 of each year. A renewal fee shall not be refundable.

39 (b1) Registration. – Each person holding a malt beverage, fortified wine, or unfortified
 40 wine permit issued pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6) shall register by
 41 May 1 of each year on a form provided by the Commission, in order to provide information
 42 needed by the State in enforcing this Chapter and to support the costs of that enforcement. The
 43 registration required by this subsection shall be accompanied by an annual registration ~~and~~
 44 ~~inspection~~-fee of four hundred dollars (\$400.00) for each permit held. The fee shall be paid by
 45 May 1 of each year. A registration fee shall not be refundable. Failure to pay the annual
 46 registration ~~and inspection~~-fee shall result in revocation of the permit.

47 ...

48 (b3) Safe Harbor; Late Fees. – Notwithstanding subsection (a) of this section, no permit
 49 issued under Article 10 of this Chapter, other than a special occasion permit, limited special
 50 occasion permit, or special one-time permit, shall expire or be revoked or canceled by the
 51 Commission shall not revoke a permit for failure to pay a renewal application fee or an annual

1 registration ~~and inspection~~ fee until June 1 of each year. ~~year.~~ and the permittee shall be allowed
 2 to operate under the permit until that date. No later than five business days after April 30 of each
 3 year, the Commission shall notify permittees who have not paid any required renewal application
 4 fees or annual registration ~~and inspection~~ fees as of ~~April 30.~~ April 30 by email or first-class mail.
 5 The Commission shall charge a late fee of twenty-five percent (25%) of the renewal application
 6 fee or registration ~~and inspection~~ fee for a permit for which the renewal application fee or
 7 registration ~~and inspection~~ fee is submitted after April 30.

8"

9 **SECTION 6.(b)** G.S. 18B-900 reads as rewritten:

10 "**§ 18B-900. Qualifications for permit.**

11 (a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must
 12 satisfy all of the following requirements:

13 ...

14 (6) Not have had an alcoholic beverage permit revoked within three years, except
 15 where the revocation was based solely on a permittee's failure to pay the
 16 annual registration ~~and inspection~~ fee required in G.S. 18B-903(b1).

17 ...

18 (f) Procedure to Confirm State Tax Compliance. – Upon request of the Commission, the
 19 Department of Revenue must provide information to the Commission to confirm a person's
 20 compliance with subdivision (a)(8) of this section. If the Department of Revenue notifies the
 21 Commission that a person is not in compliance, then the Commission shall not issue or renew the
 22 person's permit until the Commission receives notice from the Department of Revenue that the
 23 person is in compliance. If the Department of Revenue notifies the Commission that a person is
 24 not in compliance, within 30 days of the person becoming compliant the Department of Revenue
 25 shall notify the Commission that the person is in compliance. The requirement to pay all taxes,
 26 interest, and penalties may be satisfied by an operative agreement under G.S. 105-237 covering
 27 any amounts that are collectible under G.S. 105-241.22. Chapter 150B of the General Statutes
 28 does not apply to a Commission action on issuance, suspension, or revocation of an ABC permit
 29 under subdivision (a)(8) of this section."

30 **SECTION 6.(c)** Subsection (a) of this section is retroactively effective June 28,
 31 2024. The remainder of this section is effective when it becomes law.

32
 33 **CLARIFY MOBILE BAR SERVICE PERMIT AND INTERACTION WITH CERTAIN**
 34 **ON-PREMISES PERMITS**

35 **SECTION 7.** G.S. 18B-1001(12a) reads as rewritten:

36 "(12a) Mobile Bar Services Permit. –

37 a. A mobile bar services permit may be issued to a business that provides
 38 bartending services for events. The permit authorizes the permittee to
 39 bring malt beverages, unfortified wine, fortified wine, and spirituous
 40 liquor onto the premises of a business that is not an ABC permittee
 41 and to serve the alcoholic beverages to guests at the event. ~~The~~ Except
 42 as provided in sub-subdivision b. of this subdivision, the permittee
 43 may purchase malt beverages and unfortified wine from either a
 44 retailer or a wholesaler. only from a retailer. The permittee may
 45 purchase fortified wine ~~from either an ABC store or a wholesaler.~~ The
 46 permittee shall purchase and spirituous liquor only from an ABC store
 47 that is designated as a mixed beverage ABC store operated by any
 48 local board operating in the same county where the permittee's
 49 principal office is located. If the permittee's premises for storage of
 50 inventory is a residential address, the permittee may designate an area
 51 of the premises to be used for storage of inventory pursuant to the

1 permit. An inspection of the premises pursuant to G.S. 18B-502 shall
2 extend only to the area that the permittee has designated for storage of
3 inventory unless the law enforcement officer conducting the
4 inspection has (i) a warrant to search the residence or (ii) probable
5 cause to search the residence and exigent circumstances exist.

6 b. The holder of a permit issued pursuant to G.S. 18B-1001(1), (3), (5),
7 (16), or (16a) may also hold a mobile bar services permit at the same
8 permitted premises. Notwithstanding sub-subdivision a. of this
9 subdivision, a permittee who holds both a mobile bar services permit
10 and a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or
11 (16a) may not obtain or serve alcoholic beverages that the permittee is
12 not allowed to sell under the permit or permits that the permittee holds
13 that are issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a).
14 The permittee shall only use as inventory for the mobile bar services
15 permit the permittee's inventory of alcoholic beverages lawfully
16 purchased from a wholesaler pursuant to the permit or permits that the
17 permittee holds under G.S. 18B-1001(1), (3), (5), (16), or (16a). The
18 mobile bar services permit shall authorize such a permittee to bring
19 those alcoholic beverages onto the premises of a business that is not
20 an ABC permittee and serve the alcoholic beverages to guests at the
21 event. Alcoholic beverages that are taken from the permittee's
22 inventory to an event at another premises under a mobile bar services
23 permit may be restored to inventory after the event if the alcoholic
24 beverages are still in the manufacturer's original unopened container.

25 c. ~~The~~ A mobile bar services permittee may not serve alcoholic
26 beverages pursuant to a mobile bar services permit on the premises of
27 any location owned or possessed by the permittee. The permittee shall
28 notify the Commission, in writing, of the location of any event where
29 the permittee will serve alcoholic beverages not less than one week
30 before the event and shall have the permission of the owner or
31 possessor of the property on which the event is to be held. Any person
32 selling alcoholic beverages at the event shall be at least 21 years of
33 age. Alcoholic beverages may be transported by the mobile bar
34 services permit holder to the premises of the event no earlier than 8:00
35 A.M. on the day of the event. At the conclusion of the event, all
36 alcoholic beverages must be removed from the premises no later than
37 12:00 noon of the following day. A limited special occasion permit
38 shall not be required for an event at which alcoholic beverages are
39 exclusively provided by the holder of a mobile bar services permit.
40 The holder of a mobile bar services permit may bring alcoholic
41 beverages onto the premises and serve the alcoholic beverages at an
42 event regardless of whether there is a charge or fee for guests to attend
43 the event. This permit does not allow the retail sale of individual
44 alcoholic beverages to guests at an event."

45
46 **CLARIFY THAT THE ABC COMMISSION MAY ORDER CERTAIN DISPOSITIONS**
47 **OF SEIZED ALCOHOLIC BEVERAGES AFTER AN OFFER IN COMPROMISE TO**
48 **RESOLVE AN ABC LAW VIOLATION HAS BEEN ACCEPTED BY THE**
49 **COMMISSION**

50 **SECTION 8.(a) G.S. 18B-503 reads as rewritten:**

51 **"§ 18B-503. Disposition of seized alcoholic beverages.**

1 (a) Storage. – A ~~law enforcement~~ law enforcement officer who seizes alcoholic
2 beverages as evidence of an ABC law violation shall provide for the storage of those alcoholic
3 beverages until the commencement of the trial or administrative hearing relating to the violation,
4 unless some other disposition is authorized under this section.

5 (b) Disposition Before Trial. – After giving notice to each defendant, to any other known
6 owner, and to the Commission, a judge may order any of the following dispositions of alcoholic
7 beverages seized as evidence of an ABC law violation:

8 (1) The destruction of any malt beverages except that amount needed for evidence
9 at trial.

10 (2) The sale of any alcoholic beverages other than malt beverages or nontaxpaid
11 alcoholic beverages, and other than any alcoholic beverages needed for
12 evidence at trial, if the trial is likely to be delayed for more than 90 days, or if
13 the quantity or nature of the alcoholic beverages is such that storage is
14 impractical or unduly expensive.

15 (3) The destruction of the alcoholic beverages if storage or sale is not practical.

16 (4) Continued storage of the alcoholic beverages.

17 (c) Disposition After Trial. – After the criminal charge is resolved, a judge may order the
18 following dispositions of seized alcoholic beverages:

19 (1) If the owner or possessor of the alcoholic beverages is found guilty of a
20 criminal charge relating to those alcoholic beverages, the judge may order the
21 sale or destruction of any alcoholic beverages that were held until trial.

22 (2) If the owner or possessor of the alcoholic beverages is found not guilty, or if
23 charges are dismissed or otherwise resolved in favor of the owner or
24 possessor, the judge shall order the alcoholic beverages returned to that owner
25 or possessor, except as provided in subdivision (3).

26 (3) If the owner or possessor of the alcoholic beverages is found not guilty, or if
27 charges are otherwise resolved in favor of the owner or possessor, but
28 possession of the alcoholic beverages by that owner or possessor would be
29 unlawful, the judge shall order the alcoholic beverages either sold or
30 destroyed.

31 (4) If ownership of the alcoholic beverages remains uncertain after trial or after
32 the charges have been dismissed, the judge may order the alcoholic beverages
33 held, or the alcoholic beverages sold and the proceeds held, for a specified
34 time, until ownership of the alcoholic beverages can be determined.

35 (d) Holding for Administrative Hearings. – If alcoholic beverages used as evidence in a
36 criminal proceeding are also needed as evidence at an administrative hearing, a judge shall not
37 order any of the dispositions set out in subsection (c), but shall order the alcoholic beverages held
38 for the administrative hearing and for a determination of final disposition by the Commission.
39 The Commission may, before or after an administrative hearing, order any of the dispositions
40 authorized under subsections (b) and (c). Subject to the restriction set forth in this subsection
41 prohibiting sale or destruction without notice to the district attorney, if the Commission accepts
42 an offer in compromise to resolve an ABC law violation, the Commission may order the
43 applicable disposition set out in subdivision (2) or (3) of subsection (c) of this section. If no
44 related criminal proceeding has commenced, the Commission shall not order sale or destruction
45 of alcoholic beverages until notice has been given to the district attorney for the district where
46 the alcoholic beverages were seized or any violation of ABC laws related to the seizure of the
47 alcoholic beverages is likely to be prosecuted.

48"

49 **SECTION 8.(b)** This section is effective when it becomes law and applies to offers
50 in compromise accepted on or after that date.

51

1 **CLARIFY THAT WINE SHOP PERMITTEES MAY HOLD MALT BEVERAGE SHOP**
2 **PERMITS AND THAT MALT BEVERAGE SHOP PERMITTEES MAY HOLD WINE**
3 **SHOP PERMITS**

4 **SECTION 9.** G.S. 18B-1001 reads as rewritten:

5 **"§ 18B-1001. Kinds of ABC permits; places eligible.**

6 When the issuance of the permit is lawful in the jurisdiction in which the premises are located,
7 the Commission may issue the following kinds of permits:

8 ...

9 (16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt
10 beverages, unfortified wine, and fortified wine in the manufacturer's original
11 container for consumption off the premises, (ii) the retail sale of malt
12 beverages or unfortified wine dispensed from a tap connected to a pressurized
13 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
14 container that is filled or refilled and sealed for consumption off the premises
15 and that identifies the permittee and the date the container was filled or
16 refilled, and (iii) wine tastings on the premises conducted and supervised by
17 the permittee in accordance with subdivision (15) of this section. It also
18 authorizes the holder of the permit to ship malt beverages, unfortified wine,
19 and fortified wine in closed containers to individual purchasers inside and
20 outside the State. The permit may be issued for retail businesses whose
21 primary purpose is selling malt beverages and wine for consumption off the
22 premises and regularly and customarily educating consumers through tastings,
23 classes, and seminars about the selection, serving, and storing of wine. The
24 holder of the permit is authorized to sell unfortified wine for consumption on
25 the premises, provided ~~that that~~, except as otherwise provided in this
26 subdivision, the sale of wine for consumption on the premises does not exceed
27 forty percent (40%) of the establishment's total sales for any 30-day period.
28 The holder of a wine-tasting permit not engaged in the preparation or sale of
29 food on the premises is not subject to Part 6 of Article 8 of Chapter 130A of
30 the General Statutes. A holder of a wine shop permit shall also be eligible to
31 hold a malt beverage shop permit under G.S. 18B-1001(16a). If the holder of
32 a wine shop permit also holds a malt beverage shop permit, then the sales of
33 alcoholic beverages for consumption on the premises may not exceed forty
34 percent (40%) of the establishment's total sales for any 30-day period.

35 (16a) Malt Beverage Shop Permit. – A malt beverage shop permit authorizes (i) the
36 retail sale of malt beverages, unfortified wine, and fortified wine in the
37 manufacturer's original container for consumption off the premises, (ii) the
38 retail sale of malt beverages dispensed from a tap connected to a pressurized
39 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
40 container that is filled or refilled and sealed for consumption off the premises
41 and that identifies the permittee and the date the container was filled or
42 refilled, and (iii) malt beverage tastings on the premises conducted and
43 supervised by the permittee in accordance with subdivision (18) of this
44 section. It also authorizes the holder of the permit to ship malt beverages,
45 unfortified wine, and fortified wine in closed containers to individual
46 purchasers inside and outside the State. The permit may be issued for retail
47 businesses whose primary purpose is selling malt beverages for consumption
48 off the premises and regularly and customarily educating consumers through
49 tastings, classes, and seminars about the selection, serving, and storing of malt
50 beverages. The holder of the permit is authorized to sell malt beverages for
51 consumption on the premises, provided ~~that that~~, except as otherwise provided

1 in this subdivision, the sale of malt beverages, combined, for consumption on
 2 the premises does not exceed forty percent (40%) of the establishment's total
 3 sales for any 30-day period. The holder of a malt beverage tasting permit not
 4 engaged in the preparation or sale of food on the premises is not subject to
 5 Part 6 of Article 8 of Chapter 130A of the General Statutes. A holder of a malt
 6 beverage shop permit shall also be eligible to hold a wine shop permit under
 7 G.S. 18B-1001(16). If the holder of a malt beverage shop permit also holds a
 8 wine shop permit, then the sales of alcoholic beverages for consumption on
 9 the premises may not exceed forty percent (40%) of the establishment's total
 10 sales for any 30-day period.

11 "

12 **CLARIFY ABC COMMISSION NOTICE TO PERMIT HOLDER**

13 **SECTION 10.(a)** G.S. 18B-502(c) reads as rewritten:

14 "(c) Notice to Permit Holders. – If the Commission receives a report from a law
 15 enforcement agency other than the Division of Alcohol Law Enforcement of the Department of
 16 Public Safety or a local ABC officer any law enforcement agency documenting violations of this
 17 Chapter or Chapter 14 of the General Statutes for conduct occurring on the premises of a
 18 permitted establishment, the Commission shall send notice of the alleged violation to the holder
 19 of the permit within five business days of receipt of the law enforcement agency report. The
 20 written notice shall identify the currently alleged violations and the involved employee. Nothing
 21 in this subsection shall prevent or limit the Commission from taking any additional action
 22 warranted by the circumstances of the violation."

23 **SECTION 10.(b)** This section is effective when it becomes law and applies to
 24 violations committed on or after that date.

25 **PART III. OTHER ABC CHANGES**

26 **ESTABLISH SERVICE BUSINESS PERMIT**

27 **SECTION 11.(a)** G.S. 18B-300(a1) reads as rewritten:

28 "(a1) Consumption on Premises During Time of Permit Revocation or Suspension. – It shall
 29 be unlawful to consume or for a permittee or ~~his~~ a permittee's agent or employee to allow the
 30 consumption of malt beverages or unfortified wine on the premises of any business during the
 31 period of time that any on-premises permit or service business permit issued to the business
 32 authorizing the sale ~~and~~ or consumption of malt beverages or unfortified wine has been
 33 suspended or revoked by the Commission. The prohibition in this subsection does not apply to
 34 the premises upon which the business was located at the time the permit was suspended or
 35 revoked if the business ceases to operate in that location and the owner of the property is not the
 36 permittee, provided that the permittee is not engaged in any other business or other activity on
 37 the premises during the period of suspension or revocation."

38 **SECTION 11.(b)** G.S. 18B-603 is amended by adding a new subsection to read:

39 "(i) Service Business Permits. – The Commission may only issue service business permits
 40 provided for in G.S. 18B-1001(26) to qualified persons and establishments located within a
 41 jurisdiction in which on-premises malt beverage permits or on-premises unfortified wine permits
 42 may be issued, subject to the following restrictions:

43 (1) If on-premises malt beverage permits, but not on-premises unfortified wine
 44 permits, may be issued in the jurisdiction, the service business permittee may
 45 furnish only malt beverages to customers.

46 (2) If on-premises unfortified wine permits, but not on-premises malt beverage
 47 permits, may be issued in the jurisdiction, the service business permittee may
 48 furnish only unfortified wine to customers.

1 (3) If on-premises malt beverage permits and on-premises unfortified wine
2 permits may be issued in the jurisdiction, the service business permittee may
3 furnish malt beverages and unfortified wine to customers."

4 **SECTION 11.(c)** G.S. 18B-902 reads as rewritten:

5 **"§ 18B-902. Application for permit; fees.**

6 ...

7 (d) Fees. – An application for an ABC permit shall be accompanied by payment of the
8 following application fee:

9 ...

10 (57) Service business permit – \$50.00.

11 ...

12 (h) Recycling Plan Required. – Each applicant for an on-premises malt beverage permit,
13 on-premises unfortified wine permit, service business permit, on-premises fortified wine permit,
14 or a mixed beverages permit shall prepare and submit with the application a plan for the collection
15 and recycling of all recyclable beverage containers of all beverages to be furnished or sold at
16 retail on the premises. Each applicant for a mobile bar services permit shall prepare and submit
17 with the application a plan for the collection and recycling of all recyclable beverage containers
18 of all beverages to be served at an event pursuant to the permit. A permittee who is not able to
19 find a recycler for its beverage containers may apply to the Alcoholic Beverage Control
20 Commission for a one-year stay of the requirement to implement a recycling program in
21 compliance with G.S. 18B-1006.1. The application shall be made in a form specified by the
22 Commission, shall detail the efforts made by the permittee to provide for the collection and
23 recycling of beverage containers, and shall specify the impediments to implementation of a
24 recycling plan. The Commission shall submit all such applications to the Division of
25 Environmental Assistance and Outreach of the Department of Environmental Quality for review
26 and certification. The Division of Environmental Assistance and Outreach shall investigate each
27 application and prepare a summary of its investigation and shall submit the summary to the
28 Commission along with a notation indicating certification or denial of the application. A
29 permittee whose application for a stay is certified by the Division of Environmental Assistance
30 and Outreach shall not be required to comply with the recycling requirement of the alcoholic
31 beverage laws and regulations during the one-year stay period so certified."

32 **SECTION 11.(d)** G.S. 18B-903, as amended by Section 6 of this act, reads as
33 rewritten:

34 **"§ 18B-903. Duration of permit; renewal and transfer.**

35 (a) Duration. – Once issued, ABC permits shall be valid for the following periods, unless
36 earlier surrendered, suspended or revoked:

37 (1) On-premises and off-premises malt beverage, unfortified wine, and fortified
38 wine permits; service business permits; culinary permits; and all permits listed
39 in G.S. 18B-1100 shall remain valid indefinitely.

40 ...

41 (b1) Registration. – Each person holding a malt beverage, fortified wine, ~~or unfortified~~
42 ~~wine permit~~ unfortified wine, or service business permit issued pursuant to G.S. 18B-902(d)(1)
43 through G.S. 18B-902(d)(6) or G.S. 18B-902(d)(57) shall register by May 1 of each year on a
44 form provided by the Commission, in order to provide information needed by the State in
45 enforcing this Chapter and to support the costs of that enforcement. ~~The~~ For permits issued
46 pursuant to G.S. 18B-902(d)(1) through G.S. 18B-902(d)(6), the registration required by this
47 subsection shall be accompanied by an annual registration fee of four hundred dollars (\$400.00)
48 for each permit held. For permits issued pursuant to G.S. 18B-902(d)(57), the registration
49 required by this subsection shall be accompanied by an annual registration fee of fifty dollars
50 (\$50.00) for each permit held. The fee shall be paid by May 1 of each year. A registration fee

1 shall not be refundable. Failure to pay the annual registration fee shall result in revocation of the
2 permit.

3 (b2) Recycling Plan Required. – Each person holding an on-premises malt beverage
4 permit, on-premises unfortified wine permit, service business permit, on-premises fortified wine
5 permit, or a mixed beverages permit shall submit, along with the annual registration or renewal
6 application, either a current plan for the collection and recycling of all recyclable beverage
7 containers of all beverages furnished or sold at retail on the premises, or an application for a
8 waiver pursuant to G.S. 18B-902(h). Each person holding a mobile bar services permit shall
9 submit, along with the annual renewal application, either a current plan for the collection and
10 recycling of all recyclable beverage containers of all beverages to be served at an event pursuant
11 to the permit, or an application for a waiver pursuant to G.S. 18B-902(h).

12"

13 **SECTION 11.(e)** G.S. 18B-1000 reads as rewritten:

14 "**§ 18B-1000. Definitions concerning establishments.**

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

16 ...

17 (7a) Service business. – An establishment that is primarily engaged in the business
18 of providing services to the general public that require an occupational license
19 issued by the State.

20 ~~(7a)~~(7b) Sports and entertainment venue. – Stadiums, ballparks, and other similar
21 facilities with a permanently constructed seating capacity of 3,000 or more
22 which are not located on the campus of a school, college, or university.

23"

24 **SECTION 11.(f)** G.S. 18B-1001 is amended by adding a new subdivision to read:

25 "~~(26)~~ Service Business Permit. – A service business permit authorizes the permittee
26 to furnish complimentary malt beverages and unfortified wine to customers,
27 in conjunction with the provision of the service, for consumption on the
28 permittee's premises at no extra charge to the customers. The permittee may
29 furnish alcoholic beverages to customers only in accordance with
30 G.S. 18B-603(i). The permittee may not serve more than two servings of
31 alcoholic beverages to any individual customer in any calendar day. For
32 purposes of this subdivision, a serving of malt beverage is 16 fluid ounces and
33 a serving of unfortified wine is 8 fluid ounces. Notwithstanding
34 G.S. 18B-1006(h), the permittee may purchase malt beverages and unfortified
35 wine only from a retailer. The permit may be issued to service businesses."

36 **SECTION 11.(g)** G.S. 18B-1006.1(a) reads as rewritten:

37 "(a) Holders of on-premises malt beverage permits, on-premises unfortified wine permits,
38 service business permits, on-premises fortified wine permits, and mixed beverages permits shall
39 separate, store, and provide for the collection for recycling of all recyclable beverage containers
40 of all beverages furnished or sold at retail on the premises. A permittee has satisfied the
41 requirements of this section if it implements a recycling program that meets the minimum
42 standards of the model recycling program developed by the Commission pursuant to
43 G.S. 130A-309.14(m). Failure to comply with the requirements of this section shall not be
44 grounds for revocation of a permit. A conviction for violation of this section shall not constitute
45 an alcoholic beverage offense within the meaning of G.S. 18B-900(a)(4)."

46 **SECTION 11.(h)** This section becomes effective September 1, 2026.

47 COUNTY MIXED BEVERAGE ELECTION AMENDMENT

48 **SECTION 12.(a)** G.S. 18B-600(b) reads as rewritten:

49 "(b) County Elections. – Any county may hold a malt beverage, unfortified wine, or ABC
50 store election. A county may hold a mixed beverage election only if (i) the county already
51

operates at least one county ABC store or a city located in the county operates at least one ABC store, or (ii) a county election on ABC stores is to be held at the same time as the mixed beverage election. Provided, if a county does not operate at least one ABC store, a mixed beverages permittee may purchase liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the permittee or any adjacent county."

SECTION 12.(b) This section is retroactively effective October 1, 2024, and applies to elections held on or after that date.

REVISE LAW GOVERNING DISPLAY OF SPIRITUOUS LIQUOR DISTILLED OR PRODUCED IN NORTH CAROLINA

SECTION 13. G.S. 18B-800(e) reads as rewritten:

"(e) Each ABC store shall display spirits which are distilled or produced in North Carolina in an area dedicated solely to North Carolina ~~products~~ products or otherwise in the store so long as the product is identified as a North Carolina product by a price tag or shelf tag."

INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE

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

"(4a) "Alcohol consumable" means any manufactured and packaged ice cream, whipped cream, ice pop, gum-based, or gelatin-based food product containing at least one-half of one percent (0.5%) alcohol by volume."

SECTION 14.(b) This section becomes effective December 1, 2026, and applies to offenses committed on or after that date.

PROVIDE MIXED BEVERAGES PERMITTEES WITH PRIOR NOTICE OF APPORTIONED PRODUCT LOTTERY

SECTION 15.(a) G.S. 18B-800 is amended by adding a new subsection to read:

"(c6) Prior Notice of Lottery. – At least 30 days prior to the date it plans to conduct a lottery or other random drawing to sell apportioned products to mixed beverage permittee customers of an ABC store, the local board conducting the lottery or other random drawing shall provide each mixed beverage permittee with written notice of the lottery or other random drawing by email or first-class mail. For purposes of this subsection, the term "apportioned products" means containers of spirituous liquor that are made available to local boards only by random drawings conducted by the Commission."

SECTION 15.(b) This section becomes effective October 1, 2026, and applies to lotteries or other random drawings to sell apportioned products held on or after that date.

CLARIFY WHEN SPECIAL ONE-TIME PERMITS ARE REQUIRED FOR NONPROFIT ORGANIZATIONS

SECTION 16. G.S. 18B-1002(a) reads as rewritten:

"(a) Kinds of Permits. – In addition to the other permits authorized by this Chapter, the Commission may issue permits for the following activities:

...

- (2) A permit may be issued to a nonprofit organization to allow the retail sale of malt beverages, unfortified wine, fortified wine, or mixed beverages, or to allow brown-bagging, at a single fund-raising event of that organization. A permit for this purpose shall not be issued for the sale of any kind of alcoholic beverage in a jurisdiction where the sale of that alcoholic beverage is not lawful. A permit is not required under this subdivision for an event conducted by a nonprofit organization that meets any of the following:

- 1 a. The event is held on premises permitted under G.S. 18B-1001(1),
 2 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6),
 3 or 18B-1001(10) and the wine, malt beverages, and spirituous liquor
 4 sold at the event are sold by the retail permittee from the retail
 5 permittee's inventory.
- 6 b. The event is held on a premises that does not hold a permit under this
 7 Chapter and the wine, malt beverages, and spirituous liquor sold or
 8 served at the event is provided by one of the following in a manner
 9 allowed under that permit:
 - 10 1. A mobile bar services permittee pursuant to
 11 G.S. 18B-1001(12a).
 - 12 2. A mixed beverage catering permittee pursuant to
 13 G.S. 18B-1001(12).
 - 14 3. A malt beverage special event permittee pursuant to
 15 G.S. 18B-1114.5.
 - 16 4. A winery special event permittee pursuant to G.S. 18B-1114.1.
 - 17 5. A spirituous liquor special event permittee pursuant to
 18 G.S. 18B-1114.7.

19 ...
 20 (5)

A permit may be issued to a unit of local government, or to a nonprofit organization or a political organization to serve wine, malt beverages, and spirituous liquor at a ~~ticketed~~ an event held to allow the unit of local government or organization to raise funds. A permit is not required under this subdivision for an event conducted by a unit of local government, a nonprofit organization, or a political organization that meets any of the following:

- 26 a. The event is held on premises permitted under G.S. 18B-1001(1),
 27 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6),
 28 or 18B-1001(10) and the wine, malt beverages, and spirituous liquor
 29 sold at the event are sold by the retail permittee from the retail
 30 permittee's inventory.
- 31 b. The event is held on a premises that does not hold a permit under this
 32 Chapter and the wine, malt beverages, and spirituous liquor sold or
 33 served at the event is provided by one of the following in a manner
 34 allowed under that permit:
 - 35 1. A mobile bar services permittee pursuant to
 36 G.S. 18B-1001(12a).
 - 37 2. A mixed beverage catering permittee pursuant to
 38 G.S. 18B-1001(12).
 - 39 3. A malt beverage special event permittee pursuant to
 40 G.S. 18B-1114.5.
 - 41 4. A winery special event permittee pursuant to G.S. 18B-1114.1.
 - 42 5. A spirituous liquor special event permittee pursuant to
 43 G.S. 18B-1114.7.

For purposes of this subdivision "nonprofit organization" means an organization that is exempt from taxation under Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(8), 501(c)(10), 501(c)(19), or 501(d) of the Internal Revenue Code or is exempt under similar provisions of the General Statutes as a bona fide nonprofit charitable, civic, religious, fraternal, patriotic, or veterans' organization or as a nonprofit volunteer fire department, or as a nonprofit volunteer rescue squad or a bona fide homeowners' or property owners' association. For purposes of this subdivision "political organization"

means an organization covered by the provisions of G.S. 163-96(a)(1) or (2) or a campaign organization established by or for a person who is a candidate who has filed a notice of candidacy, paid the filing fees or filed the required petition, and been certified as a candidate. The issuance of this permit shall also allow the use for culinary purposes of spirituous liquor lawfully purchased for use in mixed beverages. The issuance of this permit shall also allow a nonprofit organization to offer alcoholic beverages in the manufacturer's original closed container as a prize in a raffle or sell alcoholic beverages in the manufacturer's original closed container at auction at the ~~ticketed~~ event to allow the nonprofit organization to raise funds.

...."

SPECIAL MULTIPLE EVENT PERMIT

SECTION 17.(a) Article 10 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1002.2. Special multiple event permit.

(a) Definitions. – The following definitions apply to this section:

(1) Nonprofit organization. – An organization that is exempt from taxation under section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(8), 501(c)(10), 501(c)(19), or 501(d) of the Internal Revenue Code or is exempt under similar provisions of the General Statutes as a bona fide nonprofit charitable, civic, religious, fraternal, patriotic, or veterans' organization or as a nonprofit volunteer fire department, or as a nonprofit volunteer rescue squad or a bona fide homeowners' or property owners' association.

(2) Political organization. – An organization covered by the provisions of G.S. 163-96(a)(1) or (2) or a campaign organization established by or for a person who is a candidate who has filed a notice of candidacy, paid the filing fees or filed the required petition, and been certified as a candidate.

(b) Permit Authorized. – A special multiple event permit may be issued to an individual person representing a nonprofit organization or a political organization to allow the following at multiple fund-raising events of that organization:

(1) The retail sale of malt beverages, unfortified wine, fortified wine, and mixed beverages.

(2) Brown-bagging.

(3) The serving of malt beverages, unfortified wine, fortified wine, and mixed beverages at an event.

(4) Offering alcoholic beverages in the manufacturer's original closed container as a prize in a raffle at an event.

(5) Selling alcoholic beverages in the manufacturer's original closed container at auction at an event.

The permit holder must be present at any fund-raising event conducted pursuant to a special multiple event permit.

(c) Permit Holder Limitations. – Not more than two persons representing a single nonprofit organization or political organization may obtain permits pursuant to this section. No person may hold a special multiple event permit as a representative of more than one nonprofit organization or political organization.

(d) Notice of Events. – The holder of the permit shall provide written notice of a fund-raising event to the Commission and to the governing body of the city or county in which the fund-raising event will be located at least 30 days prior to the event. The notice shall include the date, time, and location of the event and the types of alcoholic beverages to be sold or served at the event. If the event is occurring on premises located partially or entirely within the

1 boundaries of a social district and is scheduled to occur during hours when alcoholic beverages
 2 may be consumed in the social district, the holder of the permit shall include that information in
 3 the notice.

4 To be considered by the Commission, the local governing body must file any objection in
 5 writing with the Commission not less than 15 days prior to the event and must state the facts
 6 upon which the objection is based.

7 The Commission shall have the sole power, in its discretion, to determine suitability of the
 8 location at which the permit will be used to conduct a fund-raising event.

9 (e) Records. – The permit holder shall maintain for a period of at least one year a record
 10 of each fund-raising event conducted. The record shall include the date of the fund-raising event,
 11 the time of the fund-raising event, an identification of the venue at which the fund-raising event
 12 was held, and the types of alcoholic beverages sold or served at the event. The permit holder shall
 13 allow the Commission to inspect those records at any time.

14 (f) General Limitations. – A permit issued pursuant to this section shall not allow any of
 15 the following:

16 (1) The sale of any kind of alcoholic beverage in a jurisdiction where the sale of
 17 that alcoholic beverage is not lawful.

18 (2) The sale or consumption of alcoholic beverages outside the hours authorized
 19 in G.S. 18B-1004.

20 (g) A permit is not required under this section for an event conducted by a nonprofit
 21 organization or political organization that meets any of the following:

22 (1) The event is held on premises permitted under G.S. 18B-1001(1),
 23 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5), 18B-1001(6), or
 24 18B-1001(10) and the wine, malt beverages, and spirituous liquor sold at the
 25 event are sold by the retail permittee from the retail permittee's inventory.

26 (2) The event is held on a premises that does not hold a permit under this Chapter
 27 and the wine, malt beverages, and spirituous liquor sold or served at the event
 28 is provided by one of the following in a manner allowed under that permit:

29 a. A mobile bar services permittee pursuant to G.S. 18B-1001(12a).

30 b. A mixed beverage catering permittee pursuant to G.S. 18B-1001(12).

31 c. A malt beverage special event permittee pursuant to G.S. 18B-1114.5.

32 d. A winery special event permittee pursuant to G.S. 18B-1114.1.

33 e. A spirituous liquor special event permittee pursuant to
 34 G.S. 18B-1114.7."

35 **SECTION 17.(b)** G.S. 18B-125 reads as rewritten:

36 **"§ 18B-125. Exceptions.**

37 This Article does not create a claim for relief against any of the following:

38 (1) One who holds only a brown bagging permit, a special occasions permit, or a
 39 limited special occasions ~~permit;~~ permit.

40 (2) One who holds only a special one-time permit under ~~G.S.~~
 41 ~~18B-1002;~~ G.S. 18B-1002.

42 (2a) One who holds only a special multiple event permit under G.S. 18B-1002.2.

43 (3) One who holds only permits listed in ~~G.S. 18B-1100;~~ G.S. 18B-1100.

44 (4) One who holds any combination of the permits listed in this section."

45 **SECTION 17.(c)** G.S. 18B-300.1(j) reads as rewritten:

46 "(j) Interaction with Other Permits. – The Commission shall issue permits for special
 47 events occurring partially or entirely within the boundaries of a social district as follows:

48 (1) The Commission may issue special one-time permits pursuant to
 49 G.S. 18B-1002(a)(2) or (a)(5) for events occurring on premises located
 50 partially or entirely within the boundaries of a social district. If the event is
 51 scheduled to occur during hours when alcoholic beverages may be consumed

in the social district, the event permittee shall, in addition to obtaining such signed law enforcement notification as may be required under the Commission's rules, include in such notification a statement that the event is to occur in a social district during days and hours designated for consumption of alcoholic beverages.

(2) A permittee holding a winery special event permit, malt beverage special event permit, or spirituous liquor special event permit pursuant to G.S. 18B-1114.1, 18B-1114.5, and 18B-1114.7, respectively, may sell and serve products at special events taking place in a social district.

(3) A permittee holding a mixed beverages catering permit pursuant to G.S. 18B-1001(12) may serve spirituous liquor to guests at events taking place in a social district.

(4) A permittee holding a special multiple event permit pursuant to G.S. 18B-1002.2 may hold an event in a social district."

SECTION 17.(d) 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:

...

(11) Special multiple event permits issued under G.S. 18B-1002.2."

SECTION 17.(e) G.S. 18B-900(a) reads as rewritten:

"(a) Requirements. – To be eligible to receive and to hold an ABC permit, a person must satisfy all of the following requirements:

...

(8) Be current in filing all applicable tax returns to the State and in payment of all taxes, interest, and penalties that are collectible under G.S. 105-241.22. This subdivision does not apply to the following ABC permits:

- a. Special occasion permit under G.S. 18B-1001(8).
- b. Limited special occasion permit under G.S. 18B-1001(9).
- c. Special one-time permit under G.S. 18B-1002.
- d. Salesman permit under G.S. 18B-1111.
- e. Special multiple event permit under G.S. 18B-1002.2.

...."

SECTION 17.(f) G.S. 18B-901(b) reads as rewritten:

"(b) Notice to Local Government. – Before issuing a retail ABC ~~permit, other than a:~~

- ~~(1) Special occasion permit under G.S. 18B-1001(8);~~
- ~~(2) Limited special occasion permit under G.S. 18B-1001(9);~~
- ~~(3) Temporary permit under G.S. 18B-905; or~~
- ~~(4) Special one-time permit under G.S. 18B-1002~~

permit for an establishment, the Commission shall give notice of the permit application to the governing body of the city in which the establishment is located. If the establishment is not inside a city, the Commission shall give notice to the governing body of the county. The Commission shall allow the local governing body 15 days from the time the notice was mailed or delivered to file written objection to the issuance of the permit. To be considered by the Commission, the objection shall state the facts upon which it is based.

This subsection shall not apply to the following permits:

- (1) A special occasion permit under G.S. 18B-1001(8).
- (2) A limited special occasion permit under G.S. 18B-1001(9).
- (3) A temporary permit under G.S. 18B-905.
- (4) A special one-time permit under G.S. 18B-1002.
- (5) A special multiple event permit under G.S. 18B-1002.2."

SECTION 17.(g) G.S. 18B-902(d) reads as rewritten:

1 "(d) Fees. – An application for an ABC permit shall be accompanied by payment of the
2 following application fee:

3 ...
4 (58) Special multiple event permit – \$200.00."

6 **REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT**

7 **SECTION 18.(a)** G.S. 18B-905 reads as rewritten:

8 **"§ 18B-905. Temporary permits.**

9 When an application has been received in proper form, with the required application fee, the
10 Commission may issue a temporary permit for any of the activities for which permits are
11 authorized under G.S. 18B-1001 and 18B-1100. If the person has applied to the applicable local
12 government for the Inspection/Zoning Compliance and Local Government Opinion forms
13 required for the application but has not received approvals or denials from the local government,
14 the applicant may submit a sworn affidavit with the application stating that the person has applied
15 to the local government for the Inspection/Zoning Compliance and Local Government Opinion
16 approvals in lieu of those approvals. The person shall send the local government approvals or
17 denials to the Commission within three business days of receiving the approvals or denials. A
18 temporary permit may be revoked summarily by the Commission without complying with the
19 provisions of Chapter 150B. Revocation of a temporary permit or withdrawal by the Commission
20 of a pending application by a permittee possessing a temporary permit shall be effective upon
21 service of the notice of revocation or withdrawal upon the permittee at either the permittee's
22 residence or the address given for the business in the permit application or upon the expiration
23 of five business days after the notice of the revocation or withdrawal has been mailed to the
24 permittee at either the permittee's residence or the address given for the business in the permit
25 application. No further notice shall be required."

26 **SECTION 18.(b)** This section becomes effective October 1, 2026, and applies to
27 applications received on or after that date.

29 **REVISE LAW REGULATING THE SALE AND DELIVERY OF MORE THAN ONE** 30 **DRINK AT A TIME TO A SINGLE PATRON**

31 **SECTION 19.(a)** G.S. 18B-1010(a) reads as rewritten:

32 "(a) Except as otherwise provided in this section, the holder of an on-premises malt
33 beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, or
34 mixed beverages ~~permit issued under G.S. 18B-1001 permit, or a permittee otherwise authorized~~
35 to sell malt beverages, unfortified wine, fortified wine, or mixed beverages for on-premises
36 consumption, may sell and deliver not more than two alcoholic beverage drinks at one time to a
37 single patron with the following limitations:patron.

38 (1) ~~Not more than two alcoholic beverage drinks at one time if the alcoholic~~
39 ~~beverage drinks are any of the following:~~

40 a. ~~A malt beverage.~~

41 b. ~~Unfortified wine.~~

42 c. ~~Fortified wine.~~

43 (2) ~~Not more than one alcoholic beverage at one time if an alcoholic beverage~~
44 ~~drink is a mixed beverage or contains spirituous liquor."~~

45 **SECTION 19.(b)** G.S. 18B-1001(10) reads as rewritten:

46 "(10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail
47 sale of mixed beverages for consumption on the premises. The permit also
48 authorizes a mixed beverages permittee to obtain an antique spirituous liquor
49 permit under subdivision (20) of this section and to use for culinary purposes
50 spirituous liquor lawfully purchased for use in mixed beverages. The permit
51 may be issued for any of the following:

- 1 a. Restaurants.
- 2 b. Hotels.
- 3 c. Private clubs.
- 4 d. Convention centers.
- 5 e. Community theatres.
- 6 f. Nonprofit organizations.
- 7 g. Political organizations.
- 8 h. Sports and entertainment venues.
- 9 i. Bars.
- 10 j. The holder of a distillery permit authorized under G.S. 18B-1105.
- 11 k. Breweries.
- 12 l. Wineries.

13 Additionally, a mixed beverages permit authorizes a permittee that is a
 14 restaurant, hotel, private club, bar, brewery, winery, or the holder of a
 15 distillery permit to sell at retail mixed beverages for consumption off the
 16 premises, including delivery by the permittee or a delivery service permittee.
 17 A mixed beverage sold for consumption off the premises must be sold with
 18 food and shall be (i) a premixed cocktail in the manufacturer's original closed
 19 container, or (ii) packaged in a container with a secure lid or cap, and in a
 20 manner designed to prevent consumption without removal of the lid or cap.
 21 The container shall be no greater than 24 fluid ounces. In accordance with
 22 G.S. 20-138.7, the transportation of a mixed beverage in a motor vehicle shall
 23 not be unlawful if the container is an unopened manufacturer's original
 24 container or is transported in a locked container, in the trunk, or in the area
 25 behind the last upright seat in a motor vehicle not equipped with a trunk.
 26 Notwithstanding G.S. 18B-1010, the sale of more than ~~one mixed beverage~~
 27 ~~drink~~ two mixed beverage drinks at one time shall not be unlawful if the mixed
 28 beverage drinks are sold for delivery or consumption off the permittee's
 29 premises. No mixed beverage ordered for off-premises consumption shall be
 30 provided to any person other than the purchaser of the mixed beverage, except
 31 that in the case of delivery, the delivery service permittee through its
 32 employees or agents may provide the mixed beverage to a person other than
 33 the purchaser if the permittee or the permittee's employees or agents verify
 34 that the person is over 21 years of age using age verification software requiring
 35 the recipient to provide a form of photographic identification authorized in
 36 G.S. 18B-302(d)(1)."

37 **SECTION 19.(c)** This section becomes effective October 1, 2026, and applies to
 38 alcoholic beverages sold on or after that date.

39
 40 **ALLOW THE SALE OF MULTIPLE ALCOHOLIC BEVERAGE DRINKS TO A**
 41 **SINGLE PATRON IN A VESSEL**

42 **SECTION 20.(a)** G.S. 18B-1010 is amended by adding a new subsection to read:
 43 "(c) The holder of an on-premises malt beverage permit, on-premises unfortified wine
 44 permit, on-premises fortified wine permit, or mixed beverages permit, or a permittee otherwise
 45 authorized to sell malt beverages, unfortified wine, fortified wine, or mixed beverages for
 46 on-premises consumption, may sell and deliver up to six alcoholic beverage drinks at one time
 47 to a single patron for on-premises consumption if the alcoholic beverage drinks are in the
 48 manufacturer's original unopened container and delivered to the patron in a single vessel."

49 **SECTION 20.(b)** The Revisor of Statutes shall replace all references to
 50 "G.S. 18B-1010" with "G.S. 18B-1010(a)" in G.S. 18B-300.1(f), 18B-1001, and 18B-1001.5(g).

51

MODIFY REQUIREMENTS FOR TOURISM ABC ESTABLISHMENTS

SECTION 21. G.S. 18B-101(14a) reads as rewritten:

"(14a) "Tourism ABC establishment" means a restaurant or hotel that is in a county in which the on-premises or off-premises sale of malt beverages or unfortified wine is authorized in at least one city and that meets both either of the following requirements:

- a. Is located on property, a property line of which is located within ~~1.5 miles~~ 2 miles of the end of an entrance or exit ramp of a junction on a national scenic parkway designed to attract local, State, national, and international tourists between the State line and Milepost 469, provided that the Eastern Band of Cherokee Indians tribal alcoholic beverage control commission established under G.S. 18B-112 shall have exclusive authority to issue permits pursuant to this subdivision between Milepost 460 and the southern terminus of the national scenic byway at Milepost 469 for any restaurant or hotel that is located wholly on Indian Country lands.
- b. Is located ~~in a county in which the on-premises or off-premises sale of malt beverages or unfortified wine is authorized in at least one city~~ on property, a property line of which is located within 3 miles of the State line, that is adjacent to a North Carolina scenic byway."

CLEANING OF DRAFT LINES

SECTION 22.(a) G.S. 18B-1116(a)(4) reads as rewritten:

"(4) Provide or offer to provide draft line cleaning services (i) to an alcoholic beverage retailer unless the retailer pays the fair market value for such services at a different cost per line than to another alcoholic beverage retailer or (ii) to some alcoholic beverage retailers but not others. Nothing in this subdivision shall require any manufacturer, bottler, or wholesaler of any alcoholic beverages, or any officer, director, or affiliate thereof, to provide or offer to provide draft line cleaning services."

SECTION 22.(b) G.S. 18B-1003 is amended by adding a new subsection to read:

"(e) Draft Line Cleaning. – Any permittee that provides draft alcoholic beverages shall ensure that draft lines are cleaned on a regular basis and shall maintain a record of each date of cleaning and the person or entity that performed the cleaning for at least 12 months."

SECTION 22.(c) This section becomes effective October 1, 2026.

ALLOW ABC COMMISSION TO REQUIRE REAL-TIME REPORTING

SECTION 23. G.S. 18B-205 reads as rewritten:

"§ 18B-205. Accounts and reports required.

(a) Accounts and Reports. – The Commission may require local boards to submit quarterly mixed beverage reports, quarterly and annual audits, monthly sales records, and any other reports or audits relating to the operations of the local ABC systems.

(b) Accounting System. – The Commission may require local boards to use generally accepted accounting standards and a chart of accounts prescribed by the Commission in the operation of ABC stores, and to record all information necessary and useful to the Commission in auditing the operation of ABC systems and administering the ABC law.

(c) Audits. – The Commission may audit the operation of any local ABC store or board, and the books of those stores and boards shall remain open to the Commission for inspection.

(d) Real-Time Reporting. – The Commission may require local boards to submit daily, weekly, and monthly sales data to a designated vendor in real time. A local board may satisfy

1 this requirement by connecting or integrating the point-of-sale system used in its ABC stores
 2 with the designated vendor."

3
 4 **ALLOW CERTAIN ABC PERMITTEES TO PREPARE MIXED BEVERAGES FOR**
 5 **CONSUMER TASTINGS IN ABC STORES**

6 **SECTION 24.** G.S. 18B-1114.7(c) reads as rewritten:

7 "(c) Additional Limitations on Tastings in ABC Stores. – Consumer tastings conducted in
 8 an ABC store shall have the following additional limitations:

- 9 ...
- 10 (4) Notwithstanding subdivision (3) of subsection (b) of this section, the total
 11 amount of the tasting samples offered to and consumed by each consumer at
 12 a consumer tasting event shall not exceed one-half ounce of spirituous liquor
 13 in any calendar ~~day-day~~, including any spirituous liquor in mixed beverages
 14 offered for consumer tasting pursuant to subdivision (4a) of this subsection.
- 15 (4a) The permit holder conducting the event may prepare and offer for tasting
 16 mixed beverages containing the spirituous liquor offered for tasting at the
 17 ABC store. A mixed beverage offered for tasting pursuant to this subdivision
 18 shall contain no more than 0.25 ounces of spirituous liquor.
- 19"

20
 21 **MODIFY THE PROHIBITIONS ON ABC PERMITTEES EMPLOYING CERTAIN**
 22 **INDIVIDUALS**

23 **SECTION 25.(a)** G.S. 18B-1003(c) reads as rewritten:

24 "(c) Certain Employees Prohibited. – A permittee shall not knowingly employ in the sale
 25 or distribution of alcoholic beverages any person who has been:

- 26 (1) Convicted of a felony within three years;
 27 (2) Convicted of a felony more than three years previously and has not had ~~his~~
 28 the person's citizenship restored;
 29 (3) Convicted of an alcoholic beverage offense within two years; or
 30 (4) ~~Convicted of a misdemeanor controlled substances offense within two years;~~
 31 (5) A past permit holder under Chapter 18B of the General Statutes whose permit
 32 had been revoked within the last 18 months and who had been the permit
 33 holder at the location where the person would be employed.

34 For purposes of this subsection, "conviction" has the same meaning as in G.S. 18B-900(b).
 35 To avoid undue hardship, the Commission may, in its discretion, exempt persons on a
 36 case-by-case basis from this subsection. If the Commission has notified a permittee of a potential
 37 violation of this subsection and the permittee claims undue hardship within 30 days of receipt of
 38 the notification, the permittee may continue to employ the person in question until the final
 39 determination of undue hardship."

40 **SECTION 25.(b)** The ABC Commission shall adopt rules to amend its rules
 41 consistent with this section.

42 **SECTION 25.(c)** This section is effective when it becomes law and applies to
 43 individuals employed by ABC permittees and undue hardship proceedings on or after that date.

44
 45 **ALLOW OFF-PREMISES WINE TASTINGS**

46 **SECTION 26.** G.S. 18B-1001, as amended by Section 9 of this act, reads as
 47 rewritten:

48 "**§ 18B-1001. Kinds of ABC permits; places eligible.**

49 When the issuance of the permit is lawful in the jurisdiction in which the premises are located,
 50 the Commission may issue the following kinds of permits:

51 ...

1 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
2 permit authorizes (i) the retail sale of unfortified wine for consumption on the
3 premises, either alone or mixed with other beverages, (ii) the retail sale of
4 unfortified wine in the manufacturer's original container for consumption off
5 the premises, ~~and~~ (iii) the retail sale of unfortified wine dispensed from a tap
6 connected to a pressurized container utilizing carbon dioxide or similar gas
7 into a cleaned and sanitized container that is filled or refilled and sealed for
8 consumption off the premises and that identifies the permittee and the date the
9 container was filled or ~~refilled~~-refilled, and (iv) wine tastings conducted at a
10 consumer's private residence or a location not holding a permit under this
11 section where consumers are educated about selection, serving, and storing of
12 wine by the permittee or the permittee's employee or agent utilizing wine from
13 the permit holder's inventory and consumers may purchase wine for future
14 delivery or pick-up at the permittee's permitted premises. The permit also
15 authorizes the permittee to transfer unfortified wine, not more than four times
16 per calendar year, to another on-premises unfortified wine permittee that is
17 under common ownership or control as the transferor. Except as authorized
18 by this subdivision, transfers of wine by on-premises unfortified wine
19 permittees, purchases of wine by a retail permittee from another retail
20 permittee for the purpose of resale, and sale of wine by a retail permittee to
21 another retail permittee for the purpose of resale are unlawful. In addition, a
22 particular brand of wine may be transferred only if both the transferor and
23 transferee are located within the territory designated between the winery and
24 the wholesaler on file with the Commission. Prior to or contemporaneous with
25 any such transfer, the transferor shall notify each wholesaler who distributes
26 the transferred product of the transfer. The notice shall be in writing or
27 verifiable electronic format and shall identify the transferor and transferee, the
28 date of the transfer, quantity, and items transferred. The holder of the permit
29 is authorized to ship unfortified wine in closed containers to individual
30 purchasers inside and outside the State. Orders received by a winery by
31 telephone, Internet, mail, facsimile, or other off-premises means of
32 communication shall be shipped pursuant to a wine shipper permit and not
33 pursuant to this subdivision. The permit may be issued for any of the
34 following:

- 35 a. Restaurants.
- 36 b. Hotels.
- 37 c. Eating establishments.
- 38 d. Private clubs.
- 39 e. Convention centers.
- 40 f. Cooking schools.
- 41 g. Community theatres.
- 42 h. Wineries.
- 43 i. Wine producers.
- 44 j. Retail businesses.
- 45 k. Sports and entertainment venues.
- 46 l. Bars.
- 47 m. The holder of a distillery permit authorized under G.S. 18B-1105.
- 48 n. Breweries.

49 Additionally, an on-premises unfortified wine permit authorizes a permittee
50 that is a restaurant, eating establishment, hotel, private club, bar, brewery,
51 winery, or wine producer to sell at retail single-serving unfortified wine drinks

1 for consumption off the premises, including delivery by the permittee or a
2 delivery service permittee. Single-serving unfortified wine drinks sold for
3 consumption off the premises must be sold with food and shall be packaged
4 in a container with a secure lid or cap and in a manner designed to prevent
5 consumption without removal of the lid or cap. The container shall be no
6 greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the
7 transportation of single-serving unfortified wine drinks in a motor vehicle
8 shall not be unlawful if the container is an unopened manufacturer's original
9 container or is transported in a locked container, in the trunk, or in the area
10 behind the last upright seat in a motor vehicle not equipped with a trunk.
11 Notwithstanding G.S. 18B-1010, the sale of more than two single-serving
12 unfortified wine drinks at one time shall not be unlawful if the single-serving
13 unfortified wine drinks are sold for delivery or consumption off the permittee's
14 premises. No single-serving unfortified wine by the drink ordered for
15 off-premises consumption shall be provided to any person other than the
16 purchaser of the single-serving unfortified wine drink, except that in the case
17 of delivery, the delivery service permittee through its employees or agents
18 may provide the single-serving unfortified wine drink to a person other than
19 the purchaser if the permittee or the permittee's employees or agents verify
20 that the person is over 21 years of age using age verification software requiring
21 the recipient to provide a form of photographic identification authorized in
22 G.S. 18B-302(d)(1).

23 ...

24 (16) Wine Shop Permit. – A wine shop permit authorizes (i) the retail sale of malt
25 beverages, unfortified wine, and fortified wine in the manufacturer's original
26 container for consumption off the premises, (ii) the retail sale of malt
27 beverages or unfortified wine dispensed from a tap connected to a pressurized
28 container utilizing carbon dioxide or similar gas in a cleaned and sanitized
29 container that is filled or refilled and sealed for consumption off the premises
30 and that identifies the permittee and the date the container was filled or
31 refilled, ~~and~~ (iii) wine tastings on the premises conducted and supervised by
32 the permittee in accordance with subdivision (15) of this ~~section~~-section, and
33 (iv) wine tastings conducted at a consumer's private residence or a location
34 not holding a permit under this section where consumers are educated about
35 selection, serving, and storing of wine by the permittee or the permittee's
36 employee or agent utilizing wine from the permit holder's inventory and
37 consumers may purchase wine for future delivery or pick-up at the permittee's
38 permitted premises. It also authorizes the holder of the permit to ship malt
39 beverages, unfortified wine, and fortified wine in closed containers to
40 individual purchasers inside and outside the State. The permit may be issued
41 for retail businesses whose primary purpose is selling malt beverages and wine
42 for consumption off the premises and regularly and customarily educating
43 consumers through tastings, classes, and seminars about the selection, serving,
44 and storing of wine. The holder of the permit is authorized to sell unfortified
45 wine for consumption on the premises, provided that, except as otherwise
46 provided in this subdivision, the sale of wine for consumption on the premises
47 does not exceed forty percent (40%) of the establishment's total sales for any
48 30-day period. The holder of a wine-tasting permit not engaged in the
49 preparation or sale of food on the premises is not subject to Part 6 of Article 8
50 of Chapter 130A of the General Statutes. A holder of a wine shop permit shall
51 also be eligible to hold a malt beverage shop permit under

1 G.S. 18B-1001(16a). If the holder of a wine shop permit also holds a malt
 2 beverage shop permit, then the sales of alcoholic beverages for consumption
 3 on the premises may not exceed forty percent (40%) of the establishment's
 4 total sales for any 30-day period.

5"

7 ON-PREMISES SALES AT WINERIES AND BREWERIES

8 **SECTION 27.(a)** G.S. 18B-1001, as amended by Section 26 of this act, reads as
 9 rewritten:

10 "§ 18B-1001. Kinds of ABC permits; places eligible.

11 When the issuance of the permit is lawful in the jurisdiction in which the premises are located,
 12 the Commission may issue the following kinds of permits:

- 13 (1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit
 14 authorizes (i) the retail sale of malt beverages for consumption on the
 15 premises, either alone or mixed with other beverages, (ii) the retail sale of malt
 16 beverages in the manufacturer's original container for consumption off the
 17 premises, and (iii) the retail sale of malt beverages in a cleaned and sanitized
 18 container that is filled or refilled and sealed for consumption off the premises
 19 and that identifies the permittee and the date the container was filled or
 20 refilled. The permit also authorizes the permittee to transfer malt beverages,
 21 not more than four times per calendar year, to another on-premises malt
 22 beverage permittee that is under common ownership or control as the
 23 transferor. Except as authorized by this subdivision, transfers of malt
 24 beverages by on-premises malt beverage permittees, purchases of malt
 25 beverages by a retail permittee from another retail permittee for the purpose
 26 of resale, and sales of malt beverages by a retail permittee to another retail
 27 permittee for the purpose of resale are unlawful. In addition, a particular brand
 28 of malt beverages may be transferred only if both the transferor and transferee
 29 are located within the territory designated between the brewery and the
 30 wholesaler on file with the Commission. Prior to or contemporaneous with
 31 any such transfer, the transferor shall notify each wholesaler who distributes
 32 the transferred product of the transfer. The notice shall be in writing or
 33 verifiable electronic format and shall identify the transferor and transferee, the
 34 date of the transfer, quantity, and items transferred. It also authorizes the
 35 holder of the permit to ship malt beverages in closed containers to individual
 36 purchasers inside and outside the State. The permit may be issued for any of
 37 the following:
- 38 a. Restaurants.
 - 39 b. Hotels.
 - 40 c. Eating establishments.
 - 41 d. Food businesses.
 - 42 e. Retail businesses.
 - 43 f. Private clubs.
 - 44 g. Convention centers.
 - 45 h. Community theatres.
 - 46 i. Breweries as authorized by subdivisions ~~(7)~~(7), (7b), and (8) of
 47 G.S. 18B-1104(a).
 - 48 j. Sports and entertainment venues.
 - 49 k. Bars.
 - 50 l. The holder of a distillery permit authorized under G.S. 18B-1105.
 - 51 m. Wineries as authorized by G.S. 18B-1101(5a) and G.S. 18B-1102(5a).

- 1 ...
2 (3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine
3 permit authorizes (i) the retail sale of unfortified wine for consumption on the
4 premises, either alone or mixed with other beverages, (ii) the retail sale of
5 unfortified wine in the manufacturer's original container for consumption off
6 the premises, (iii) the retail sale of unfortified wine dispensed from a tap
7 connected to a pressurized container utilizing carbon dioxide or similar gas
8 into a cleaned and sanitized container that is filled or refilled and sealed for
9 consumption off the premises and that identifies the permittee and the date the
10 container was filled or refilled, and (iv) wine tastings conducted at a
11 consumer's private residence or a location not holding a permit under this
12 section where consumers are educated about selection, serving, and storing of
13 wine by the permittee or the permittee's employee or agent utilizing wine from
14 the permit holder's inventory and consumers may purchase wine for future
15 delivery or pick-up at the permittee's permitted premises. The permit also
16 authorizes the permittee to transfer unfortified wine, not more than four times
17 per calendar year, to another on-premises unfortified wine permittee that is
18 under common ownership or control as the transferor. Except as authorized
19 by this subdivision, transfers of wine by on-premises unfortified wine
20 permittees, purchases of wine by a retail permittee from another retail
21 permittee for the purpose of resale, and sale of wine by a retail permittee to
22 another retail permittee for the purpose of resale are unlawful. In addition, a
23 particular brand of wine may be transferred only if both the transferor and
24 transferee are located within the territory designated between the winery and
25 the wholesaler on file with the Commission. Prior to or contemporaneous with
26 any such transfer, the transferor shall notify each wholesaler who distributes
27 the transferred product of the transfer. The notice shall be in writing or
28 verifiable electronic format and shall identify the transferor and transferee, the
29 date of the transfer, quantity, and items transferred. The holder of the permit
30 is authorized to ship unfortified wine in closed containers to individual
31 purchasers inside and outside the State. Orders received by a winery by
32 telephone, Internet, mail, facsimile, or other off-premises means of
33 communication shall be shipped pursuant to a wine shipper permit and not
34 pursuant to this subdivision. The permit may be issued for any of the
35 following:
- 36 a. Restaurants.
 - 37 b. Hotels.
 - 38 c. Eating establishments.
 - 39 d. Private clubs.
 - 40 e. Convention centers.
 - 41 f. Cooking schools.
 - 42 g. Community theatres.
 - 43 h. Wineries.
 - 44 i. Wine producers.
 - 45 j. Retail businesses.
 - 46 k. Sports and entertainment venues.
 - 47 l. Bars.
 - 48 m. The holder of a distillery permit authorized under G.S. 18B-1105.
 - 49 n. ~~Breweries.~~ Breweries as authorized by subdivisions (7) and (7c) of
50 G.S. 18B-1104(a).

1 Additionally, an on-premises unfortified wine permit authorizes a permittee
 2 that is a restaurant, eating establishment, hotel, private club, bar, brewery,
 3 winery, or wine producer to sell at retail single-serving unfortified wine drinks
 4 for consumption off the premises, including delivery by the permittee or a
 5 delivery service permittee. Single-serving unfortified wine drinks sold for
 6 consumption off the premises must be sold with food and shall be packaged
 7 in a container with a secure lid or cap and in a manner designed to prevent
 8 consumption without removal of the lid or cap. The container shall be no
 9 greater than 24 fluid ounces. In accordance with G.S. 20-138.7, the
 10 transportation of single-serving unfortified wine drinks in a motor vehicle
 11 shall not be unlawful if the container is an unopened manufacturer's original
 12 container or is transported in a locked container, in the trunk, or in the area
 13 behind the last upright seat in a motor vehicle not equipped with a trunk.
 14 Notwithstanding G.S. 18B-1010, the sale of more than two single-serving
 15 unfortified wine drinks at one time shall not be unlawful if the single-serving
 16 unfortified wine drinks are sold for delivery or consumption off the permittee's
 17 premises. No single-serving unfortified wine by the drink ordered for
 18 off-premises consumption shall be provided to any person other than the
 19 purchaser of the single-serving unfortified wine drink, except that in the case
 20 of delivery, the delivery service permittee through its employees or agents
 21 may provide the single-serving unfortified wine drink to a person other than
 22 the purchaser if the permittee or the permittee's employees or agents verify
 23 that the person is over 21 years of age using age verification software requiring
 24 the recipient to provide a form of photographic identification authorized in
 25 G.S. 18B-302(d)(1).

26"

27 **SECTION 27.(b)** G.S. 18B-1101 reads as rewritten:

28 **"§ 18B-1101. Authorization of unfortified winery permit.**

29 The holder of an unfortified winery permit may:

30 ...

31 (5) Regardless of the results of any local wine election, sell the wine owned by
 32 the winery at the winery for on- or off-premise consumption upon obtaining
 33 the appropriate permit under G.S. 18B-1001;

34 (5a) Regardless of the results of any local malt beverage election, sell malt
 35 beverages for on-premise consumption upon obtaining the appropriate permit
 36 under G.S. 18B-1001;

37"

38 **SECTION 27.(c)** G.S. 18B-1102 reads as rewritten:

39 **"§ 18B-1102. Authorization of fortified winery permit.**

40 The holder of a fortified winery permit may:

41 ...

42 (5) Regardless of the results of any local wine election, sell the winery's wine for
 43 ~~on- or~~ on- or off-premise consumption upon obtaining the appropriate permit
 44 under G.S. 18B-1001.

45 (5a) Regardless of the results of any local malt beverage election, sell malt
 46 beverages for on-premise consumption upon obtaining the appropriate permit
 47 under G.S. 18B-1001.

48"

49 **SECTION 27.(d)** G.S. 18B-1104 reads as rewritten:

50 **"§ 18B-1104. Authorization of brewery permit.**

51 (a) Authorized Acts. – The holder of a brewery permit may:

- 1 ...
- 2 (7) In an area where the sale of any type of alcoholic beverage is authorized by
- 3 law, and upon receiving the appropriate permit under G.S. 18B-1001, sell at
- 4 the brewery, and any additional retail location authorized under subdivision
- 5 (8) of this subsection, any or all of the following:
- 6 a. The brewery's malt beverages that have been approved by the
- 7 Commission for sale in North Carolina.
- 8 b. Malt beverages manufactured by the permittee in some other state that
- 9 have been approved by the Commission for sale in North Carolina.
- 10 c. Any other alcoholic beverages approved by the Commission for sale
- 11 in North Carolina, if sale of the alcoholic beverage is otherwise
- 12 authorized in that area.
- 13 (7a) Repealed by Session Laws 2019-182, s. 21(a), effective October 1, 2019.
- 14 (7b) Regardless of the results of any local malt beverage election, sell the malt
- 15 beverages owned by the brewery at the brewery for on- or off-premise
- 16 consumption upon obtaining the appropriate permit under G.S. 18B-1001.
- 17 (7c) Regardless of the results of any local unfortified wine election, sell unfortified
- 18 wine for on-premise consumption upon obtaining the appropriate permit
- 19 under G.S. 18B-1001.
- 20"

ALLOW ABC PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR FROM DESIGNATED ABC STORES IN ADJACENT COUNTIES

SECTION 28.(a) G.S. 18B-404 reads as rewritten:

"§ 18B-404. Additional provisions for purchase and transportation by mixed beverage permittees.

- 27 ...
- 28 (c) Designated Store. – A mixed beverage permittee may purchase spirituous liquor from
- 29 ~~an any~~ ABC store that is designated as a mixed beverage ABC store operated by any local board
- 30 operating in the same county as the ~~permittee-permittee or any adjacent county~~.
- 31 (c1) Non-Solicitation. – A local board shall not solicit any mixed beverage permittee to
- 32 purchase spirituous liquor except for permittees located within the board's jurisdiction.
- 33 ...
- 34 (f) Delivery Service. – A local board shall offer-make available delivery service to mixed
- 35 beverage ~~permittees-permittees operating in the same jurisdiction as the local board. A local~~
- 36 board may provide delivery service to mixed beverage permittees operating in the same county
- 37 in which the local board is located or any adjacent county. In providing delivery of purchased
- 38 products to mixed beverage permittees, the local board may use its employees or contract with
- 39 one or more independent contractors and may charge a fee to the permittee. A local board in a
- 40 Tier 1 or Tier 2 county, as defined in G.S. 143B-472.35(a2)(18), may request an exemption to
- 41 this requirement from the ABC Commission. The Commission shall grant the request if the local
- 42 board can show evidence of unreasonable hardship or difficulty incurred by implementing
- 43 delivery service."

SECTION 28.(b) G.S. 18B-600 reads as rewritten:

"§ 18B-600. Places eligible to hold alcoholic beverage elections.

- 46 ...
- 47 (e) City Mixed Beverage Elections. – A city may hold a mixed beverage election if the
- 48 city has at least 500 registered voters. Provided, that if a city that qualifies for an election under
- 49 this subsection approves the sale of mixed beverages, a mixed beverages permittee in the city
- 50 may purchase liquor from an ABC store that is designated as a mixed beverage ABC store

1 operated by any local board operating in the same county as the ~~permittee~~permittee or any
 2 adjacent county.

3 (e1) Small City Mixed Beverage Elections. – A city may also hold a mixed beverage
 4 election if the city has at least 200 registered voters and is located in a county with at least one
 5 other city that has approved the sale of mixed beverages. Provided, that if a city that qualifies for
 6 an election under this subsection approves the sale of mixed beverages, a mixed beverages
 7 permittee in the smaller city may purchase liquor from an ABC store that is designated as a mixed
 8 beverage ABC store operated by any local board operating in the same county as the
 9 ~~permittee~~permittee or any adjacent county.

10 ...

11 (e4) Multicounty/City ABC Elections. – If a city is located in two or more counties, the
 12 following provisions shall apply:

13 ...

14 (3) If an election is held by a city under this subsection, all of the city voters may
 15 vote in the election. If the vote is for approval, alcoholic beverages may be
 16 sold on the basis of that approval and under the provisions of this Chapter. If
 17 the sale of mixed beverages is approved, a mixed beverage permittee may
 18 purchase liquor from an ABC store that is designated as a mixed beverage
 19 ABC store operated by any local board operating in the same county as the
 20 ~~permittee~~permittee or any adjacent county. The remaining gross receipts
 21 shall be distributed in accordance with existing law applicable to those ABC
 22 stores, except that after the applicable distributions have been made pursuant
 23 to G.S. 18B-805(b), (c), and (d), the local share of the mixed beverages
 24 surcharge and the guest room cabinet surcharge required by
 25 G.S. 18B-804(b)(8) and (9) shall be distributed one-half to the general fund of
 26 the city where the mixed beverage permittees are located and one-half to the
 27 local ABC boards from whose stores liquor is purchased.

28 (e5) Small Resort Town ABC Elections. – A town may hold a mixed beverage election if
 29 it:

- 30 (1) Was incorporated after 1990 and prior to the effective date of this subsection;
- 31 (2) Has at least 100 residents;
- 32 (3) Is located in a county that borders another state and that has two other
 33 municipalities which have ABC stores; and
- 34 (4) At the time of the election, has corporate boundaries that border or include
 35 land in three counties.

36 Provided, that if a town that qualifies for an election under this subsection approves the sale
 37 of mixed beverages, a mixed beverages permittee in the town may purchase liquor from an ABC
 38 store that is designated as a mixed beverage ABC store operated by any local board operating in
 39 the same county as the ~~permittee~~permittee or any adjacent county.

40"

41 **SECTION 28.(c)** G.S. 18B-603(h) reads as rewritten:

42 "(h) Permits Based on Existing Permits. – In any county which borders on the Atlantic
 43 Ocean and where (i) the sale of malt beverage on and off premises, the sale of unfortified wine
 44 on and off premises, the sale of mixed beverages, and the operation of an ABC system has been
 45 allowed in at least six cities in the county, or in any county adjacent to that county in which an
 46 ABC system has been allowed, or (ii) the sale of malt beverage on and off premises, the sale of
 47 unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC
 48 system has been allowed in at least eight cities in the county, the Commission may issue permits
 49 to sports clubs as defined in G.S. 18B-1000(8) throughout the county.

50 The Commission may issue the following permits:

- 51 (1) On and Off Premises Malt Beverage;

- 1 (2) On and Off Premises Unfortified Wine;
- 2 (3) On and Off Premises Fortified Wine; or
- 3 (4) Mixed Beverages.

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

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

17 **SECTION 28.(d)** G.S. 18B-701(a) reads as rewritten:

18 "(a) Powers. – A local board shall have authority to do all of the following:

- 19 (1) Buy, sell, transport, and possess alcoholic beverages as necessary for the
- 20 operation of its ABC stores. In providing delivery of spirituous liquor to a
- 21 mixed beverages permittee, ~~as required by~~ in accordance with
- 22 G.S. 18B-404(f), the local board may use its employees or contract with one
- 23 or more independent contractors and may charge a fee to the permittee. A
- 24 mixed beverage permittee may contract with an independent contractor to
- 25 provide delivery of spirituous liquor from an ABC board's store or warehouse
- 26 to the permittee's premises.

27"

28 **SECTION 28.(e)** G.S. 18B-1001(12a), as amended by Section 7 of this act, reads as
 29 rewritten:

30 "(12a) Mobile Bar Services Permit. –

- 31 a. A mobile bar services permit may be issued to a business that provides
- 32 bartending services for events. The permit authorizes the permittee to
- 33 bring malt beverages, unfortified wine, fortified wine, and spirituous
- 34 liquor onto the premises of a business that is not an ABC permittee
- 35 and to serve the alcoholic beverages to guests at the event. Except as
- 36 provided in sub-subdivision b. of this subdivision, the permittee may
- 37 purchase malt beverages and unfortified wine only from a retailer. The
- 38 permittee may purchase fortified wine and spirituous liquor only from
- 39 an ABC store that is designated as a mixed beverage ABC store
- 40 operated by any local board operating in the same county where the
- 41 permittee's principal office is ~~located~~ located or in any county
- 42 adjacent to the county where the permittee's principal office is located.
- 43 If the permittee's premises for storage of inventory is a residential
- 44 address, the permittee may designate an area of the premises to be used
- 45 for storage of inventory pursuant to the permit. An inspection of the
- 46 premises pursuant to G.S. 18B-502 shall extend only to the area that
- 47 the permittee has designated for storage of inventory unless the law
- 48 enforcement officer conducting the inspection has (i) a warrant to
- 49 search the residence, or (ii) probable cause to search the residence and
- 50 exigent circumstances exist.

- 1 b. The holder of a permit issued pursuant to G.S. 18B-1001(1), (3), (5),
2 (16), or (16a) may also hold a mobile bar services permit at the same
3 permitted premises. Notwithstanding sub-subdivision a. of this
4 subdivision, a permittee who holds both a mobile bar services permit
5 and a permit issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or
6 (16a) may not obtain or serve alcoholic beverages that the permittee is
7 not allowed to sell under the permit or permits that the permittee holds
8 that are issued pursuant to G.S. 18B-1001(1), (3), (5), (16), or (16a).
9 The permittee shall only use as inventory for the mobile bar services
10 permit the permittee's inventory of alcoholic beverages lawfully
11 purchased from a wholesaler pursuant to the permit or permits that the
12 permittee holds under G.S. 18B-1001(1), (3), (5), (16), or (16a). The
13 mobile bar services permit shall authorize such a permittee to bring
14 those alcoholic beverages onto the premises of a business that is not
15 an ABC permittee and serve the alcoholic beverages to guests at the
16 event. Alcoholic beverages that are taken from the permittee's
17 inventory to an event at another premises under a mobile bar services
18 permit may be restored to inventory after the event if the alcoholic
19 beverages are still in the manufacturer's original unopened container.
- 20 c. A mobile bar services permittee may not serve alcoholic beverages
21 pursuant to a mobile bar services permit on the premises of any
22 location owned or possessed by the permittee. The permittee shall
23 notify the Commission, in writing, of the location of any event where
24 the permittee will serve alcoholic beverages not less than one week
25 before the event and shall have the permission of the owner or
26 possessor of the property on which the event is to be held. Any person
27 serving alcoholic beverages at the event shall be at least 21 years of
28 age. Alcoholic beverages may be transported by the mobile bar
29 services permit holder to the premises of the event no earlier than 8:00
30 A.M. on the day of the event. At the conclusion of the event, all
31 alcoholic beverages must be removed from the premises no later than
32 12:00 noon of the following day. A limited special occasion permit
33 shall not be required for an event at which alcoholic beverages are
34 exclusively provided by the holder of a mobile bar services permit.
35 The holder of a mobile bar services permit may bring alcoholic
36 beverages onto the premises and serve the alcoholic beverages at an
37 event regardless of whether there is a charge or fee for guests to attend
38 the event. This permit does not allow the retail sale of individual
39 alcoholic beverages to guests at an event."

40 **SECTION 28.(f)** G.S. 18B-1007(a) reads as rewritten:

41 "(a) Purchases. – A mixed beverages permittee may purchase spirituous liquor for resale
42 as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale
43 from a guest room cabinet only at an ABC store that is designated as a mixed beverage ABC
44 store operated by any local board operating in the same county as the ~~permittee-permittee or any~~
45 adjacent county."

46 **SECTION 28.(g)** This section is effective when it becomes law and applies to
47 spirituous liquor purchased on or after that date.

48
49 **ALLOW IN-STAND SALES AT CONCERTS**

50 **SECTION 29.** G.S. 18B-1009 reads as rewritten:

51 "**§ 18B-1009. In-stand sales.**

1 (a) Nothing in this Chapter shall be construed to prohibit a retail permittee from selling
 2 for consumption, malt beverages in the seating areas of stadiums, ballparks, theaters,
 3 amphitheaters, and other similar public places with a seating capacity of 3,000 or more during
 4 concerts or professional sporting events, provided that:

- 5 (1) The seating areas are designated as part of the retail permittee's licensed
 6 premises;
- 7 (2) The retail permittee has notified the Commission, in writing, of its intent to
 8 sell malt beverages in the seating areas at concerts or sporting events;
- 9 (3) Service of food and nonalcoholic beverages is available in the seating areas;
- 10 (4) The retail permittee has certified to the Commission that it has trained its
 11 employees:
 - 12 a. To identify underage persons and intoxicated persons; and
 - 13 b. To refuse to sell malt beverages to those persons as required by
 14 G.S. 18B-305; and
- 15 (5) The employees do not verbally shout or hawk the sale of malt beverages.

16 (b) The North Carolina Alcoholic Beverage Control Commission shall adopt rules for the
 17 suspension of alcohol sales in the latter portion of concerts or professional sporting events in
 18 order to protect public safety at these events."
 19

20 **CREATE AUCTION HOUSE PERMIT**

21 **SECTION 30.(a)** G.S. 18B-101 reads as rewritten:

22 **"§ 18B-101. Definitions.**

23 As used in this Chapter, unless the context requires otherwise:

24 ...
 25 (5a) "Antique spirituous liquor" means spirituous liquor that has not been in
 26 production or bottled in the last ~~20 years,~~ 10 years, is in the original
 27 manufacturer's unopened container, is not owned by a distillery, and is not
 28 otherwise available for purchase by an ABC Board except through the special
 29 order process pursuant to G.S. 18B-1001(20).
 30 ...

31 (6a) "Decorative decanter" means a manufacturer's original sealed decanter of
 32 spirituous liquor, limited in quantities as a specialized limited run, a limited
 33 edition, or with historical significance with the manufacturer's distillery
 34 markings and labeling.

35 ~~(6a)~~(6b) "Finance officer" means the local board employee, other than a general
 36 manager, who is responsible for keeping the accounts of the local board,
 37 receiving and depositing receipts, disbursing funds, and any other duties
 38 assigned by the local board or Commission.

39"

40 **SECTION 30.(b)** G.S. 18B-902(d) reads as rewritten:

41 "(d) Fees. – An application for an ABC permit shall be accompanied by payment of the
 42 following application fee:

- 43 ...
- 44 ~~(45) Special auction permit – \$750.00.~~
- 45 ...
- 46 (59) Auction house permit – \$1,000."

47 **SECTION 30.(c)** G.S. 18B-1002.1 is repealed.

48 **SECTION 30.(d)** Article 10 of Chapter 18B of the General Statutes is amended by
 49 adding a new section to read:

50 **"§ 18B-1002.3. Auction house permit.**

1 An auction house permit may be issued upon application to an auction firm or auctioneer
 2 licensed by the North Carolina Auctioneers Commission pursuant to Chapter 85B of the General
 3 Statutes to allow the licensed auction firm or auctioneer to sell at auction items described in
 4 G.S. 18B-1002(a)(4) on the permittee's premises. An auction held under this section may receive
 5 competing bids that are in person or by telephone, fax, or online. The permittee shall store any
 6 auction items described in G.S. 18B-1002(a)(4) on the permittee's premises or at a secondary
 7 location in this State that is disclosed in the permit application."

8 **SECTION 30.(e)** G.S. 18B-603(f), as amended by Section 17(d) of this act, reads as
 9 rewritten:

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

- 12 (1) Special occasion permits.
- 13 (2) Limited special occasion permits.
- 14 (3) Brown-bagging permits for private clubs and congressionally chartered
 15 veterans organizations.
- 16 (4) Culinary permits, except as restricted by subdivision (d)(5).
- 17 (5) Special one-time permits issued under G.S. 18B-1002.
- 18 (6) All permits listed in G.S. 18B-1100.
- 19 (7) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism
 20 ABC establishments.
- 21 (8) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for tourism
 22 resorts.
- 23 (9) The permits authorized by G.S. 18B-1001(1), (3), (5), and (10) for historic
 24 ABC establishments.
- 25 ~~(10) Special auction permits issued under G.S. 18B-1002.1.~~
- 26 (11) Special multiple event permits issued under G.S. 18B-1002.2.
- 27 (12) Auction house permits issued under G.S. 18B-1002.3."

28
 29 **PART IV. STATE GOVERNMENT AND LOCAL BOARD ORGANIZATIONAL**
 30 **CHANGES**

31
 32 **RENAME ALE TO SLED**

33 **SECTION 31.(a)** Subpart F of Part 4 of Article 13 of Chapter 143B of the General
 34 Statutes reads as rewritten:

35 "Subpart F. ~~Alcohol~~Special Law Enforcement Division.

36 **"§ 143B-990. Creation of ~~Alcohol~~Special Law Enforcement Division of the Department of**
 37 **Public Safety.**

38 There is created and established a division to be known as the ~~Alcohol~~Special Law
 39 Enforcement Division of the Department of Public Safety with the organization, powers, and
 40 duties defined in Article 1 of this Chapter and G.S. 18B-500, except as modified in this Part."

41 **SECTION 31.(b)** G.S. 18B-101 reads as rewritten:

42 **"§ 18B-101. Definitions.**

43 As used in this Chapter, unless the context requires otherwise:

- 44 ...
- 45 (5) ~~"ALE Division" means the Alcohol Law Enforcement Division of the~~
 46 ~~Department of Public Safety.~~
- 47 ...
- 48 (13b) "SLED" means the Special Law Enforcement Division of the Department of
 49 Public Safety.

50"

51 **SECTION 31.(c)** Article 5 of Chapter 18B of the General Statutes reads as rewritten:

1 "Article 5.

2 "Law Enforcement.

3 **"§ 18B-500. ~~Alcohol law enforcement~~ Special law enforcement agents.**

4 (a) Appointment. – The Secretary of Public Safety shall appoint and supervise the
5 Director of the ~~Division of Alcohol Law Enforcement~~ Special Law Enforcement Division of the
6 Department of Public Safety. The Director of the ~~Division of Alcohol Law Enforcement~~ Special
7 Law Enforcement Division of the Department of Public Safety may appoint and supervise a
8 sufficient number of assistants who shall be competent and qualified to do the work of the
9 Division. The Director is responsible for making all hiring and personnel decisions of the
10 Division. Notwithstanding the provisions of this Chapter or Chapter 143A of the General
11 Statutes, the Director may hire or fire personnel and transfer personnel within the Division. The
12 Director may also appoint a regular employee of the Commission as ~~an ALE~~ a SLED agent,
13 provided the employee was employed by the ABC Commission and serving as ~~an ALE~~ a SLED
14 agent on January 1, 2019. ~~Alcohol law enforcement~~ Special law enforcement agents shall be
15 designated as "~~alcohol law enforcement agents~~." "special law enforcement agents." Persons
16 serving as reserve ~~alcohol law enforcement~~ special law enforcement agents are considered
17 employees of the Division for workers' compensation purposes while performing duties assigned
18 or approved by the Director of the Division or the Director's designee.

19 (b) Subject Matter Jurisdiction. – After taking the oath prescribed for a peace officer, ~~an~~
20 ~~alcohol law enforcement~~ a special law enforcement agent shall have authority to arrest and take
21 other investigatory and enforcement actions for any criminal offense:

- 22 (1) Occurring, encountered, or otherwise discovered on the premises of, or
23 elsewhere when the conduct relates to, a location under application for or
24 holding a permit issued by the North Carolina Alcoholic Beverage Control
25 Commission or the North Carolina Education Lottery Commission.
- 26 (2) Encountered or otherwise discovered while investigating or enforcing matters
27 for the North Carolina Alcoholic Beverage Control Commission or the North
28 Carolina Education Lottery Commission or encountered or otherwise
29 discovered while investigating or enforcing the provisions of this Chapter,
30 Chapter 18C of the General Statutes, G.S. 14-313, or Parts 1 and 2 of Article
31 37 of Chapter 14 of the General Statutes.
- 32 (3) Encountered or otherwise discovered while carrying out any duty or function
33 assigned to the Division by law.
- 34 (4) Occurring in an agent's presence.
- 35 (5) When assisting another law enforcement agency.

36 (b1) Authority. – ~~Alcohol law enforcement~~ Special law enforcement agents have authority
37 as peace officers to execute criminal process, respond to and take enforcement action for any
38 crime of violence or breach of the peace, and any additional duties as may from time to time be
39 directed by the Governor or the Secretary of Public Safety when needed for security purposes at
40 a public event or to protect persons or property because of a disaster or state of emergency.

41 (b2) Primary Responsibilities. – The primary responsibilities of ~~an alcohol~~
42 ~~law enforcement~~ a special law enforcement agent are the enforcement of this Chapter, Chapter
43 18C of the General Statutes, G.S. 14-313, and Parts 1 and 2 of Article 37 of Chapter 14 of the
44 General Statutes.

45 (c) Territorial Jurisdiction. – ~~An alcohol law enforcement~~ A special law enforcement
46 agent is a State officer with jurisdiction throughout the State.

47 (d) Service of Commission Orders. – ~~Alcohol law enforcement~~ Special law enforcement
48 agents may serve and execute notices, orders, or demands issued by the Alcoholic Beverage
49 Control Commission or the North Carolina State Lottery Commission for the surrender of permits
50 or relating to any administrative proceeding. While serving and executing such notices, orders,
51 or demands, ~~alcohol law enforcement~~ special law enforcement agents shall have all the power

1 and authority possessed by ~~law enforcement~~ law enforcement officers when executing an arrest
2 warrant.

3 (e) Discharge. – ~~Alcohol law enforcement~~ Special law enforcement agents are subject to
4 the discharge provisions of G.S. 18B-202.

5 (f) Repealed by Session Laws 1995, c. 507, s. 6.2(a).

6 (g) Shifting of Personnel From One District to Another. – The Director of the ~~Alcohol~~
7 Special Law Enforcement Division may, from time to time, shift the forces from one district to
8 another or consolidate more than one district force at any point for special purposes. Whenever
9 an agent of the ~~Alcohol~~ Special Law Enforcement Division is transferred from one district to
10 another for the convenience of the State or for reasons other than the request of the agent, the
11 Department shall be responsible for transporting the household goods, furniture, and personal
12 apparel of the agent and members of the agent's household.

13 **"§ 18B-501. Local ABC officers.**

14 ...

15 (d) Assisting Other Local Agencies. – The local ABC officers employed by a local board
16 shall constitute a "~~law enforcement agency~~" "law enforcement agency" for purposes of
17 G.S. 160A-288, and a local board shall have the same authority as a city or county governing
18 body to approve cooperation between ~~law enforcement~~ law enforcement agencies under that
19 section.

20 (e) Assisting State and Federal Enforcement. – A local ABC officer may assist State and
21 federal ~~law enforcement~~ law enforcement agencies in the investigation of criminal offenses in
22 North Carolina, under the following conditions:

- 23 (1) The local board employing the officer has adopted a resolution approving such
24 assistance and stating the conditions under which it may be provided;
- 25 (2) The State or federal agency has made a written request for assistance from that
26 local board, either for a particular investigation or for any investigation that
27 might require assistance within a certain period of time;
- 28 (3) The local ABC officer is supervised by someone in the requesting agency; and
- 29 (4) As soon as practical after the assistance begins, an acknowledgement of the
30 action is placed in the records of the local board.

31 A local ABC officer shall have territorial jurisdiction throughout North Carolina while
32 assisting a State or federal agency under this section. While providing that assistance the officer
33 shall continue to be considered an employee of the local board for purposes of salary, worker's
34 compensation, and other benefits, unless a different arrangement is negotiated between the local
35 board and the requesting agency.

36 (f) Contracts with Other Agencies. – Instead of hiring local ABC officers, a local board
37 may contract to pay its enforcement funds to a sheriff's office, city police department, or other
38 local ~~law enforcement~~ law enforcement agency for enforcement of the ABC laws within the
39 ~~law enforcement~~ law enforcement agency's territorial jurisdiction. Enforcement agreements may
40 be made with more than one agency at the same time. When such a contract for enforcement
41 exists, the designated officers of the contracting ~~law enforcement~~ law enforcement agency shall
42 have the same authority to inspect under G.S. 18B-502 that an ABC officer employed by that
43 local board would have. An agency contracted to provide ABC law enforcement shall designate
44 no more than five officers to conduct inspections pursuant to this section and G.S. 18B-502. If a
45 city located in two or more counties approves the sale of some type of alcoholic beverage
46 pursuant to the provisions of G.S. 18B-600(e4), and there are no local ABC boards established
47 in the city and one of the counties in which the city is located, the local ABC board of any county
48 in which the city is located may enter into an enforcement agreement with the city's police
49 department for enforcement of the ABC laws within the entire city, including that portion of the
50 city located in the county of the ABC board entering into the enforcement agreement.

51 ...

1 **"§ 18B-502. Inspection of licensed premises.**

2 (a) Authority. – To procure evidence of violations of the ABC law, ~~alcohol~~
 3 ~~law-enforcement-special law enforcement~~ agents, employees of the Commission, local ABC
 4 officers, and officers of local ~~law-enforcement-law enforcement~~ agencies that have contracted to
 5 provide ABC enforcement under G.S. 18B-501(f) shall have authority to investigate the
 6 operation of each licensed premises for which an ABC permit has been issued, to make
 7 inspections that include viewing the entire premises, and to examine the books and records of the
 8 permittee. The inspection authorized by this section may be made at any time it reasonably
 9 appears that someone is on the premises. ~~Alcohol-law-enforcement-Special law enforcement~~
 10 agents are also authorized to be on the premises to the extent necessary to enforce the provisions
 11 of Article 68 of Chapter 143 of the General Statutes. For purposes of this subsection, the phrase
 12 "licensed premises for which an ABC permit has been issued" includes a social district authorized
 13 under G.S. 18B-300.1 and an extended area authorized under G.S. 18B-904(h).

14 ...

15 **"§ 18B-504. Forfeiture.**

16 ...

17 (c) Seizure of Property. – If property subject to forfeiture has not already been seized as
 18 part of an arrest or search, a ~~law-enforcement-law enforcement~~ officer may apply to a judge for
 19 an order authorizing seizure of that property. An order for seizure may be issued only after
 20 criminal process has been issued for an ABC law violation in connection with that property. The
 21 order shall describe the property to be seized and shall state the facts establishing probable cause
 22 to believe that the property is subject to forfeiture.

23 (d) Custody until Trial. – A ~~law-enforcement-law enforcement~~ officer seizing property
 24 subject to forfeiture shall provide for its safe storage until trial. The officer may destroy stills and
 25 perishable materials seized under subdivision (a)(3), if storage is impractical and if the absence
 26 of the property will not be likely to adversely affect the defendant's right to defend against the
 27 charge that is the basis for the forfeiture. If the officer having custody of the property is satisfied
 28 that it will be returned at the time of trial, he may return the property to the owner upon receiving
 29 a bond for the value of the property, signed by sufficient sureties. If the property is not returned
 30 at the time of trial, the full amount of the bond shall be forfeited to the court. Property which it
 31 is unlawful to possess may not be returned to the owner.

32 ...

33 (f) Disposition of Forfeited Property. – A judge ordering forfeiture of property may order
 34 any one of the following dispositions:

- 35 (1) Sale at public ~~auCTION;auCTION.~~
- 36 (2) Sale at auction after notice to certain named individuals or groups, if only a
 37 limited number of people would have use for that ~~property;property.~~
- 38 (3) Delivery to a named State or local ~~law-enforcement-law enforcement~~ agency,
 39 if the property is not suited for sale, with preference to be given in the
 40 following order, to: the agency that seized the property, ~~the ALE Division,~~
 41 SLED, the Commission, the local board of the jurisdiction in which the
 42 property was seized, and the Department of ~~Justice; or Justice.~~
- 43 (4) Destruction, if possession of the property would be unlawful and it could not
 44 be used or is not wanted for law enforcement, or if sale or other disposition is
 45 not practical.

46 ...

47 **"§ 18B-505. Restitution.**

48 When a person is convicted of a violation of the ABC laws, the court may order him to make
 49 restitution to any ~~law-enforcement-law enforcement~~ agency for reasonable expenditures made in
 50 purchasing alcoholic beverages from him or his agent as part of an investigation leading to his
 51 conviction."

1 **SECTION 31.(d)** G.S. 93B-1 reads as rewritten:

2 "**§ 93B-1. Definitions.**

3 As used in this Chapter, the following definitions apply:

4 ...

5 (3) State agency licensing board. – Any State agency staffed by full-time State
6 employees, which as part of their regular functions issue licenses. This section
7 does not apply to the North Carolina Criminal Justice Education and Training
8 Standards Commission, the North Carolina Sheriffs' Education and Training
9 Standards Commission, and the North Carolina Department of Revenue. The
10 following is a nonexclusive list of State agency licensing boards and the
11 profession or occupation for which the board, agency, or officer may issue
12 licenses:

13 ...

14 h. The Department of Public Safety.

15 1. ~~Alcohol Law Enforcement Branch.~~Special Law Enforcement
16 Division.

17 I. Boxer, Kickboxer, Mixed Martial Arts, Promoter.
18 Article 8 of Chapter 143 of the General Statutes.

19 2. The Alcohol Beverage Control Board.

20 I. Alcoholic Beverage Distributor. Article 9 of Chapter
21 18B.

22 3. Private Protective Services Board.

23 I. Counter Intelligence Licensee, Guard Dog Service
24 Operator, Polygraph Examiner, Private Investigator,
25 Psychological Stress Evaluator, Security Guard, and
26 Patrol Licensee. Article 1 of Chapter 74C of the
27 General Statutes.

28 "

29 **SECTION 31.(e)** Throughout the General Statutes, the Revisor of Statutes may
30 replace (i) the phrase "Alcohol Law Enforcement Division", except where it is found as part of
31 the phrase "Tribal Alcohol Law Enforcement Division", with the phrase "Special Law
32 Enforcement Division", (ii) the phrase "an alcohol law enforcement agent" or "an alcohol
33 law-enforcement agent" with the phrase "a special law enforcement agent", (iii) the phrase
34 "alcohol law enforcement" or "alcohol law-enforcement" with "special law enforcement", (iv)
35 the phrase "ALE Division" with the phrase "SLED", and (v) the phrase "ALE agent" with the
36 phrase "SLED agent".

37 **SECTION 31.(f)** This section becomes effective January 1, 2027.

38
39 **ADD TWO MEMBERS TO THE ABC COMMISSION**

40 **SECTION 32.(a)** G.S. 18B-200 reads as rewritten:

41 "**§ 18B-200. North Carolina Alcoholic Beverage Control Commission.**

42 (a) Creation of Commission; compensation. – The North Carolina Alcoholic Beverage
43 Control Commission is created to consist of a chairman and ~~two~~four associate members. The
44 Commission shall be administratively located within the Department of Public Safety but shall
45 exercise its powers independently of the Secretary of Public Safety. The chairman shall devote
46 his or her full time to his or her official duties and receive a salary fixed by the General Assembly
47 in the Current Operations Appropriations Act. The associate members shall be compensated for
48 per diem, subsistence and travel as provided in Chapter 138 of the General Statutes.

49 (b) Appointment of Members. – ~~Members~~The chairman of the Commission and two
50 associate members shall be appointed by the Governor to serve at ~~his pleasure.~~the pleasure of the
51 Governor. One associate member shall be appointed by the President Pro Tempore of the Senate

1 to serve at the pleasure of the President Pro Tempore and one associate member shall be
2 appointed by the Speaker of the House of Representatives to serve at the pleasure of the Speaker.

3 (c) ~~Governor~~ appointing authority shall fill any vacancy on the
4 Commission by appointing a successor to serve at ~~the Governor's pleasure.~~ the pleasure of the
5 appointing authority. If the chairman's seat becomes vacant, the Governor may designate either
6 the new member or an existing member of the Commission as the chairman.

7 (d) Employees. – The Commission may authorize the chairman to employ, discharge, and
8 otherwise supervise subordinate personnel of the Commission. The Commission shall appoint at
9 least one employee to make investigations, hold hearings requested under G.S. 18B-1205, and
10 represent the Commission in contested case hearings or perform any other duties authorized by
11 Chapter 150B."

12 **SECTION 32.(b)** This section becomes effective December 1, 2026.

13
14 **ALLOW ABC COMMISSION TO CONDUCT CONTESTED CASES UNDER ARTICLE**
15 **3A OF THE ADMINISTRATIVE PROCEDURE ACT**

16 **SECTION 33.(a)** G.S. 150B-38(a) reads as rewritten:

17 "(a) The provisions of this Article shall apply to:

- 18 (1) Occupational licensing agencies.
- 19 (2) The State Banking Commission, the Commissioner of Banks, and the Credit
20 Union Division of the Department of Commerce.
- 21 (3) The Department of Insurance and the Commissioner of Insurance.
- 22 (4) The State Chief Information Officer in the administration of the provisions of
23 Article 15 of Chapter 143B of the General Statutes.
- 24 (5) The North Carolina State Building Code Council and Residential Code
25 Council, Article 9 of Chapter 143 of the General Statutes.
- 26 (5a) The Office of the State Fire Marshal and the State Fire Marshal.
- 27 (6) Repealed by Session Laws 2018-146, s. 4.4(b), effective December 27, 2018.
- 28 (7) The North Carolina Alcoholic Beverage Control Commission."

29 **SECTION 33.(b)** This section becomes effective October 1, 2026, and applies to
30 contested cases filed on or after that date.

31
32 **PROHIBIT PRESENT MEMBERS OF CITY GOVERNING BODIES AND BOARDS OF**
33 **COUNTY COMMISSIONERS FROM BEING APPOINTED TO SERVE ON LOCAL**
34 **ABC BOARDS**

35 **SECTION 34.(a)** G.S. 18B-700(d) reads as rewritten:

36 "(d) Qualifications. – The appointing authority shall appoint members of a local board on
37 the basis of the appointees' interest in public affairs, good judgment, knowledge, ability, and good
38 moral character. Notwithstanding any other provision in this Article, no appointing authority
39 shall appoint any present member of a city governing body or board of county commissioners to
40 serve as a member on any local board."

41 **SECTION 34.(b)** This section is effective when it becomes law and applies to
42 appointments made on or after that date. A person who is a member of a city governing body or
43 board of county commissioners who is a member of a local board on the effective date of this
44 section may serve the remainder of the person's term as a member of the local board.

45
46 **AMEND DISTRIBUTION OF LOCAL BOARD REVENUES FOR THE CITY OF**
47 **SANFORD**

48 **SECTION 35.** S.L. 1961-105, as amended by S.L. 1961-888, reads as rewritten:

49 "...

50 "Sec. 4. If a majority of the votes cast in such election shall be for the legal sale of beer and/or
51 wine, then the Board of Aldermen of the City of Sanford shall issue license to sell beer and/or

1 wine as defined in ~~General Statutes 18-64 as provided in Chapter 18~~ Chapter 18B of the General
2 Statutes notwithstanding any Public, Special, Local or Private Act to the contrary whether passed
3 before or after the ratification of this Act; provided, however, in no event shall a license be issued
4 to any person, firm or corporation to sell beer and/or wine for "on premises" consumption
5 anywhere in the City of Sanford. Notwithstanding any other provisions of this Act, it shall be
6 unlawful to sell any beer or wine in the City of Sanford when such beer or wine has been
7 refrigerated to a temperature less than the general temperature of the establishment wherein the
8 sale is made, and any sale of refrigerated beer or wine shall be unlawful. Notwithstanding any
9 other provisions of this Act, it shall be unlawful to sell beer in individual containers containing
10 less than one gallon, except when six containers are sold at the same time to the same person:
11 Provided, that more than six containers may be sold to the same person at the same time when
12 the number of containers is some multiple of six.

13 A violation of either of the foregoing shall constitute a general misdemeanor punishable in
14 the discretion of the court and a conviction or plea of nolo contendere to said charge shall operate
15 to permanently revoke the license of the violator.

16 ...

17 "Sec. 8. The City Board of Alcoholic Beverage Control shall have all the powers and duties
18 prescribed for ~~County Boards of Alcoholic Control by G. S. 18-45 and shall be subject to the~~
19 ~~powers and authority of the State Board of Alcoholic Control to the same extent as are County~~
20 ~~Boards of Alcoholic Control set forth in G. S. 18-39.~~ local boards set forth in G.S. 18B-701. The
21 City of Sanford Board of Alcoholic Control and the operation of Municipal Alcoholic Beverage
22 Control Stores authorized under the provisions of this Act shall be subject to the provisions of
23 ~~Article 3 of Chapter 18~~ Articles 7 and 8 of Chapter 18B of the General Statutes except to the
24 extent that such provisions may be in conflict with this Act. Wherever the word "County" Board
25 of Alcoholic Control appears in said Article it shall apply to and include the City of Sanford
26 Board of Alcoholic Control. The City of Sanford Board of Alcoholic Control shall have authority
27 to employ legal counsel and such other employees as it may deem necessary and fix their
28 compensation. The per diem and subsistence allowance for the City of Sanford Board of
29 Alcoholic Control shall be fixed by the Board of Aldermen of the City of Sanford.

30 The City of Sanford Board of Alcoholic Beverage Control may appoint one of its members,
31 or any other person, as Supervisor of the system and pay such appointee an annual salary not to
32 exceed six thousand dollars (\$6,000.00), which shall, in the case of a board member, be in lieu
33 of all other compensation for services rendered; provided, no person shall serve as Supervisor
34 and Chairman. Designation or appointment by the board of one of its members as Supervisor
35 shall not remove said member from the board, but if such appointment shall vacate the office of
36 Chairman, the Board of Aldermen of the City of Sanford shall designate another board member
37 to serve as Chairman.

38 The designation of particular persons for particular terms by the Board of Aldermen of the
39 City of Sanford heretofore made is ratified and confirmed.

40 "Sec. 9. ~~Out of the gross profits derived from the operation of said Alcoholic Beverage~~
41 ~~Control Stores and after the payment of all costs and operating expenses, and after obtaining~~
42 ~~sufficient and proper working capital, the amount thereof to be determined by the City of Sanford~~
43 ~~Board of Alcoholic Beverage Control, said Board shall expend an amount for law enforcement~~
44 ~~purposes of not less than five per cent (5%) nor more than ten per cent (10%) thereof to be~~
45 ~~determined by quarterly audits, which amount shall supplement and not supplant the amount~~
46 ~~usually budgeted for such purposes by the City of Sanford.~~

47 Before making any other distribution, the City of Sanford Board of Alcoholic Control shall
48 pay, from its gross proceeds, all costs and expenses incurred for education and law enforcement
49 purposes required by G.S. 18B-805(b) and (c).

50 The Board may contract with any law enforcement agency located within the jurisdiction of
51 Lee County for the provision of law enforcement services related to the enforcement of the

1 alcoholic beverage laws of this State within the Board's jurisdiction. Any contract entered into
 2 pursuant to this section shall be approved by the Board and shall set forth the scope of services,
 3 compensation, and terms of engagement.

4 ~~In the expenditure of said funds, the City Board of Alcoholic Control shall~~ The Board may
 5 also employ one or more persons as law enforcement officer or officers to be appointed by and
 6 directly responsible to the said Board. The person or persons so appointed shall, after taking the
 7 oath prescribed by law for peace officers, have the same powers and authorities within Lee
 8 County as other peace officers. Any such person or persons so appointed, or any other peace
 9 officer while in hot pursuit of anyone found to be violating the ~~prohibition-alcohol~~ laws of this
 10 State, shall have the right to go into any other county of the State and arrest such defendant
 11 therein so long as such hot pursuit of such person shall continue, and the common law of hot
 12 pursuit shall be applicable to said offenses and such officer or officers. Any law enforcement
 13 officer appointed by the said Board of Alcoholic Control and any other peace officer is hereby
 14 authorized, upon request of the sheriff or other lawful officer in any other county, to go into such
 15 other county and assist in suppressing a violation of the ~~prohibition-alcohol~~ laws therein, and
 16 while so acting shall have such powers as a peace officer as are granted to him in Lee County
 17 and be entitled to all the protection provided for said officer while acting in his own County.

18 ~~Out of the net profits derived from the operation of said Alcoholic Beverage Control Stores,~~
 19 ~~the City of Sanford Board of Alcoholic Beverage Control shall on a quarterly basis pay over~~
 20 ~~equal amounts to the general fund of the City of Sanford and to the general fund of Lee County.~~

21 The Board shall at all times maintain a sustainable operating budget. The Board's
 22 unencumbered operating reserve shall not fall below fifteen percent (15%) of the Board's total
 23 annual operating budget. In any quarter in which a distribution of this section would cause the
 24 Board's operating reserve to fall below the minimum required by this section, the Board shall
 25 first retain from net proceeds an amount sufficient to restore the operating reserve to the required
 26 minimum before making any other distributions.

27 After paying all costs, operating expenses, and education and enforcement expenditures, and
 28 satisfying the operating reserve requirement, the Board shall distribute the remaining net
 29 proceeds on a quarterly basis as follows: (i) thirty percent (30%) to the general fund of Lee
 30 County; (ii) thirty percent (30%) to the general fund of the City of Sanford; and (iii) forty percent
 31 (40%) to be retained by the Board for day-to-day operating expenses, capital needs, and other
 32 lawful purposes of the Board.

33 Any amounts which may be due the City of Sanford by way of distribution from taxes
 34 collected by the State of North Carolina by reason of the sales of wine or beer sold under the
 35 terms of this Act, instead of being paid entirely to the City of Sanford, shall be distributed as
 36 follows: One-half to the general fund of the City of Sanford and one-half to the general fund of
 37 Lee County.

38"

40 PART V. GAME NIGHTS AND RAFFLES

42 REVISE LAW GOVERNING GAME NIGHTS

43 SECTION 36.(a) G.S. 14-309.28 reads as rewritten:

44 "§ 14-309.28. Limits on game night events.

45 The following limitations apply to game night events:

46 (1) The number of game night events conducted or sponsored by an exempt
 47 organization shall be limited to ~~four~~ 24 events per year.

48 ...

49 (5) A qualified facility ~~authorized to host a game night under this Part~~ shall not
 50 host more than ~~two~~ 24 game nights in any calendar ~~month-year~~."

1 **SECTION 36.(b)** This section becomes effective October 1, 2026, and applies to
2 game nights conducted on or after that date.

3
4 **REVISE LAW GOVERNING RAFFLES**

5 **SECTION 37.(a)** G.S. 14-309.15 reads as rewritten:

6 **"§ 14-309.15. Raffles.**

7 (a) It is lawful for any nonprofit organization, candidate, political committee, or any
8 government entity within the State, to conduct raffles in accordance with this section. Each
9 regional or county chapter of a nonprofit organization is eligible to conduct raffles in accordance
10 with this section independently of its parent organization. Any person who conducts a raffle in
11 violation of any provision of this section is guilty of a Class 2 misdemeanor. Upon conviction
12 that person shall not conduct a raffle for a period of one year. It is lawful to participate in a raffle
13 conducted pursuant to this section. It is not a violation of State law to advertise a raffle conducted
14 in accordance with this section. A raffle conducted pursuant to this section is not "gambling."
15 ~~For the purpose of this section, "candidate" and "political committee" have the meaning provided~~
16 ~~by Article 22A of Chapter 163 of the General Statutes, who have filed organization reports under~~
17 ~~that Article, and who are in good standing with the appropriate board of elections.~~ Receipts and
18 expenditures of a raffle by a candidate or political committee shall be reported in accordance
19 with Article 22A of Chapter 163 of the General Statutes, and ticket purchases are contributions
20 within the meaning of that Article.

21 (b) ~~For purposes of this section "raffle" means a~~ The following definitions apply in this
22 section:

23 (1) 50/50 raffle. – A raffle conducted by a nonprofit organization or any
24 government entity within the State whereby funds collected by sale of raffle
25 tickets are split evenly between the prize winner or winners and the nonprofit
26 organization or government entity after the raffle drawing.

27 (2) Candidate. – As defined in Article 22A of Chapter 163 of the General Statutes.
28 This term only includes candidates who have filed organization reports under
29 that Article and who are in good standing with the appropriate board of
30 elections.

31 (3) Net proceeds of a raffle. – The receipts less the cost of prizes awarded.

32 (4) Political committee. – As defined in Article 22A of Chapter 163 of the General
33 Statutes. This term only includes political committees that have filed
34 organization reports under that Article and that are in good standing with the
35 appropriate board of elections.

36 (5) Raffle. – A game in which the prize is won by random drawing of the name
37 or number of one or more persons purchasing chances.

38 (c) A nonprofit organization may hold no more than five raffles per year.

39 (d) Except as provided in subsection (g) of this section, the maximum cash prize that may
40 be offered or paid for any one raffle is one hundred twenty-five thousand dollars (\$125,000) and
41 if merchandise is used as a prize, and it is not redeemable for cash, the maximum fair market
42 value of that prize may be one hundred twenty-five thousand dollars (\$125,000). The total cash
43 prizes offered or paid by any nonprofit organization shall not exceed two hundred fifty thousand
44 dollars (\$250,000) in any calendar year. The total fair market value of all prizes offered by any
45 nonprofit organization, either in cash or in merchandise that is not redeemable for cash, shall not
46 exceed two hundred fifty thousand dollars (\$250,000) in any calendar year.

47 (e) Raffles shall not be conducted in conjunction with bingo.

48 (f) ~~As used in this subsection, "net proceeds of a raffle" means the receipts less the cost~~
49 ~~of prizes awarded.~~ No less than ninety percent (90%) of the net proceeds of a raffle shall be used
50 by the nonprofit organization for charitable, religious, educational, civic, or other nonprofit

1 purposes. None of the net proceeds of the raffle shall be used to pay any person to conduct the
2 raffle, or to rent a building where the tickets are received or sold or the drawing is conducted.

3 (g) Real property may be offered as a prize in a raffle. Any nonprofit organization
4 offering real property as a prize in a raffle shall provide the property free from all liens, provide
5 an owner affidavit and indemnity agreement, and provide a title commitment for the property
6 and shall make that commitment available for inspection upon request. The total appraised value
7 of all real estate prizes offered by any nonprofit organization shall not exceed two million two
8 hundred fifty thousand dollars (\$2,250,000) in any calendar year.

9 (h) Notwithstanding any other subsection of this section, it is lawful for a federally
10 insured depository institution to conduct a savings promotion raffle under G.S. 53C-6-20,
11 54-109.64, 54B-140, or 54C-180.

12 (i) The restrictions set forth in subsections (c) through (g) of this section do not apply to
13 50/50 raffles conducted by nonprofit organizations or government entities within the State."

14 **SECTION 37.(b)** This section becomes effective December 1, 2026, and applies to
15 offenses committed on or after that date.

16 **PART VI. SEVERABILITY CLAUSE AND EFFECTIVE DATE**

17 **SECTION 38.(a)** If any provision of this act or the application thereof to any person
18 or circumstances is held invalid, such invalidity shall not affect other provisions or applications
19 of this act that can be given effect without the invalid provision or application and, to this end,
20 the provisions of this act are declared to be severable.

21 **SECTION 38.(b)** Except as otherwise provided, this act is effective when it becomes
22 law.
23