

# ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 768

AMENDMENT NO. A1  
(to be filled in by  
Principal Clerk)

H768-ATQ-68 [v.12]

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Amends Title [NO]  
Third Edition

Date \_\_\_\_\_, 2022

Senator Johnson

1 moves to amend the bill on page 1, lines 14 through 34, by rewriting the lines to read:

2  
3 **""§ 18B-1110.1. Authorization of packaging and logistics permit.**

4 (a) Authorization. – The holder of a packaging and logistics permit may:

- 5 (1) Receive, in closed containers, malt beverages, unfortified wine, fortified wine,
- 6 and spirituous liquor from a supplier for the purpose of packaging,
- 7 repackaging, storage, shipping, and for the purpose of labeling or relabeling
- 8 the outer packaging, such as a box or carton.
- 9 (2) Package or repackage malt beverages, unfortified wine, fortified wine, and
- 10 spirituous liquor received from a supplier, and label or relabel the outer
- 11 packaging.
- 12 (3) Subject to the record-keeping requirements of G.S. 18B-1115, transport into
- 13 or out of the State in closed containers the maximum amounts of malt
- 14 beverages, unfortified wine, fortified wine, and spirituous liquor allowed
- 15 under federal law, if the transportation is related to the packaging, labeling,
- 16 sale, or storage permitted by this section.
- 17 (4) Deliver and ship malt beverages, unfortified wine, and fortified wine as
- 18 provided in this section in closed containers to suppliers and wholesalers
- 19 licensed under this Chapter.
- 20 (5) Deliver and ship spirituous liquor as provided in this section in closed
- 21 containers at wholesale to exporters and local boards within the State.
- 22 (6) Subject to the laws of other jurisdictions, deliver and ship malt beverages,
- 23 unfortified wine, fortified wine, and spirituous liquor as provided in this
- 24 section to out-of-state suppliers or at wholesale or retail to private or public
- 25 agencies or establishments of other states or nations.";

26  
27 And on page 2, line 3, by rewriting the line to read:

28  
29 "and relabeling as provided in subsection (a) of this section. A holder of a packaging and logistics

30 permit may not sell, deliver, or ship malt";

31  
32 And on page 2, line 30, by deleting the line;



\* H 7 6 8 - A T Q - 6 8 - V - 1 2 \*

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1  
2 And on page 5, line 12, through page 6, line 22, by deleting those lines;

3  
4 And on page 6, line 24, through page 8, line 9, by rewriting the lines to read:

5  
6 **"TRANSITION PERIOD FOR ABC PERMITTEE OWNERSHIP CHANGES**

7 **SECTION 4.** G.S. 18B-903 reads as rewritten:

8 **"§ 18B-903. Duration of permit; renewal and transfer.**

9 ...  
10 (c) Change in Ownership. –

11 (1) ~~All~~ Except as provided in subdivision (2) of this subsection, all permits for an  
12 establishment shall automatically expire and shall be surrendered to the  
13 Commission if:

14 ~~(1)~~a. Ownership of the establishment changes; or

15 ~~(2)~~b. There is a change in the membership of the firm, association or  
16 partnership owning the establishment, involving the acquisition of a  
17 twenty-five percent (25%) or greater share in the firm, association or  
18 partnership by someone who did not previously own a twenty-five  
19 percent (25%) or greater share; or

20 ~~(3)~~c. Twenty-five percent (25%) or more of the stock of the corporate  
21 permittee owning the establishment is acquired by someone who did  
22 not previously own twenty-five percent (25%) or more of the stock.

23 (2) Notwithstanding subsection (e) of this section, any person who through  
24 contract, lease, management agreement, or change of ownership or transfer of  
25 business as provided in subdivision (1) of this subsection becomes lawfully  
26 entitled to use and control of the premises of an establishment that holds  
27 permits immediately prior to such change of ownership may continue to  
28 operate the establishment, as successor to the prior permittee, to the same  
29 extent as the predecessor permittee until the person receives a temporary or  
30 new permit, subject to the following limitations:

31 a. The person shall provide written or electronic notice to the  
32 Commission of the name of the non-permitted person, the name and  
33 address of the permitted establishment, and the date of the change in  
34 ownership. The person may not operate the establishment as provided  
35 in this subdivision until the person has provided notice to the  
36 Commission.

37 b. The person shall submit a new permit application to the Commission  
38 within 60 days after the change of ownership. If the person does not  
39 apply for a new permit within 60 days, all permits for the establishment  
40 shall automatically expire and shall be surrendered to the Commission.

41 c. The 60-day period to file a new permit application shall only be  
42 allowed once per 24 months for each establishment that holds an ABC  
43 permit, unless the establishment requests and the Commission grants

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1                    a waiver of the 24 month requirement. The Commission shall grant a  
2                    waiver of the 24 month requirement if it determines that the public  
3                    health, safety, and welfare would not be harmed by granting the  
4                    waiver.

5                    d.                This subdivision shall apply only to establishments that hold ABC  
6                    permits that are in good standing and that have not been found  
7                    responsible by the Commission or a court of competent jurisdiction of  
8                    a gambling, assault, disorderly conduct, prostitution, or controlled  
9                    substances violation within 12 months prior to the date the non-  
10                   permitted person becomes entitled to use and control of the  
11                   establishment.

12                   ....";

13  
14  
15  
16 And on page 8, lines 36 through 44 by rewriting the lines to read:

17  
18 **"REPEAL "PRIVATE BAR" DEFINITION AND ADD A NEW DEFINITION FOR**  
19 **"BAR"**

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

21 **"§ 18B-1000. Definitions concerning establishments.**

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

23                   (1)                Bar. – An establishment that is primarily engaged in the business of selling  
24                   alcoholic beverages and that does not serve prepared food as defined in  
25                   G.S. 105-164.3(179). A bar shall not include a brewery, winery, or distillery.

26                   (1a)              Community theatre. – An establishment owned and operated by a bona fide  
27                   nonprofit organization that is engaged solely in the business of sponsoring or  
28                   presenting amateur or professional theatrical events to the public. A permit  
29                   issued for a community theatre is valid only during regularly scheduled  
30                   theatrical events sponsored by such nonprofit organization.

31                   ~~(1a)~~(1b)        Congressionally chartered veterans organizations. – An establishment that  
32                   is organized as a federally chartered, nonprofit veterans organization, and is  
33                   operated solely for patriotic or fraternal purposes.

34                   ~~(1b)~~(1c)        Convention center. – An establishment that meets either of the following  
35                   requirements:

36                   a.                A publicly owned or operated establishment that is engaged in the  
37                   business of sponsoring or hosting conventions and similar large  
38                   gatherings, including auditoriums, armories, civic centers, convention  
39                   centers, and coliseums.

40                   b.                A privately owned facility located in a city that has a population of at  
41                   least 200,000 but not more than 250,000 by the 2000 federal census  
42                   and is located in a county that has previously authorized the issuance  
43                   of mixed beverage permits by referendum. To qualify as a convention

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1 center under this subdivision, the facility shall meet each of the  
2 following requirements:

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

21 A permit issued for a convention center shall be valid only for those parts of  
22 the building used for conventions, banquets, receptions, and other events, and  
23 only during scheduled activities.

24 ~~(4e)(1d)~~ Cooking school. – An establishment substantially engaged in the business  
25 of operating a school in which cooking techniques are taught for a fee.

26 ...

27 ~~(4e) Private bar. – An establishment that is organized and operated as a for-profit~~  
28 ~~entity and that is not open to the general public but is open only to the members~~  
29 ~~of the organization and their bona fide guests for the purpose of allowing its~~  
30 ~~members and their guests to socialize and engage in recreation.~~

31 ...."

32 **SECTION 6.(b)** G.S. 130A-247 reads as rewritten:

33 **"§ 130A-247. Definitions.**

34 The following definitions shall apply throughout this Part:

35 (1) "Bar" is as defined in G.S. 18B-1000(1).

36 (1a) "Bed and breakfast home" means a business in a private home of not more  
37 than eight guest rooms that offers bed and breakfast accommodations for a  
38 period of less than one week and that meets all of the following criteria:

- 39 a. Does not serve food or drink to the general public for pay.  
40 b. Serves the breakfast meal, the lunch meal, the dinner meal, or a  
41 combination of all or some of these three meals, only to overnight  
42 guests of the home.

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- 1 c. Includes the price of breakfast in the room rate. The price of additional
- 2 meals served shall be listed as a separate charge on the overnight
- 3 guest's bill rate at the conclusion of the overnight guest's stay.
- 4 d. Is the permanent residence of the owner or the manager of the
- 5 business.

6 ...  
 7 ~~(10) "Private bar" is as defined in G.S. 18B-1000(4a).~~  
 8 ...."

9 **SECTION 6.(c)** G.S. 130A-248(a) reads as rewritten:  
 10 "(a) For the protection of the public health, the Commission shall adopt rules governing  
 11 the sanitation of establishments that prepare or serve drink or food for pay and establishments  
 12 that prepare and sell meat food products or poultry products. However, any establishment that  
 13 prepares or serves food or drink to the public, regardless of pay, shall be subject to the provisions  
 14 of this Article if the establishment that prepares or serves food or drink holds an ABC permit, as  
 15 defined in G.S. 18B-101, meets any of the definitions in G.S. 18B-1000, and does not meet the  
 16 definition set forth in G.S. 130A-247 for a brewery, distillery, ~~private bar~~, private club, or  
 17 winery."

18 **SECTION 6.(d)** G.S. 130A-250(4a) reads as rewritten:  
 19 "(4a) ~~Private bars~~.Bars."  
 20

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_

**The official copy of this document, with signatures  
and vote information, is available in the  
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