



HOUSE BILL 902: Temp Open Clubs & Similar Establishes/Outdoor.

2019-2020 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: May 27, 2020
Introduced by: Reps. Grange, Bell	Prepared by: Kristen L. Harris
Analysis of: Third Edition	Staff Attorney

OVERVIEW: *House Bill 902, in response to the COVID-19 pandemic, temporarily authorizes private clubs or private bars, wineries, and distilleries to offer and operate outdoor beverage service options, provided specific conditions are met.*

CURRENT LAW AND BACKGROUND:

- On March 10, 2020, in Executive Order No. 116, Governor Cooper declared a State of Emergency to address COVID-19.
- On March 17th, under Executive Order No. 118, the Governor limited the sale of food and beverages (restaurants and bars) to carry-out, drive-through, and delivery only until March 31st, or until the Order was rescinded or replaced.
- On March 27th by Executive Order No. 121, the restrictions for off-premises consumption only were upheld to be effective for 30 days from March 30th unless repealed, replaced, or rescinded by another Order.
- On April 23, 2020 by Executive Order No. 135, the restrictions on restaurants and bars were further extended to May 8, 2020.
- On May 5, 2020, the Governor issued Executive Order No. 138 which extended restrictions on restaurants and bars and encouraged restaurants to follow social distancing and transmission reduction recommendations (face masks.) Order No. 138 was to remain in effect until 5:00 p.m. on May 22nd.
- On May 14, 2020, the Centers for Disease Control and Prevention published a flow chart "to assist businesses in the food service industry, such as restaurants and bars, in making (re)opening decisions during the COVID-19 pandemic." A link to the flowchart can be found [here](#).
- On May 20, 2020, the Governor issued Executive Order No. 141 which allows certain kinds of businesses such as child care facilities, day camps, pools, and salons that had previously been closed to operate under certain restrictions. It also allows for on-premises service at restaurants with restrictions. It keeps other types of businesses such as bars, movie theaters, museums, and gyms closed until 5:00 p.m. on June 26, 2020. The Order took effect May 22, 2020 at 5:00 p.m.
- On May 22, 2020, the NC DHHS published [guidelines for restaurants](#).

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.

House Bill 902

Page 2

BILL ANALYSIS: House Bill 902 would allow any private club or private bar (G.S. 18B-1000), winery (G.S. 18B-1101), or distillery (G.S. 18B-1105) to open and serve alcohol for on-premises consumption provided the following conditions are met:

- The establishment is properly licensed and permitted and was in existence on March 10, 2020;
- Service is limited to an outdoor seating location and has access to toilet facilities for employees and customers;
- Vertical boundaries delineate the alcohol consumption area in the outdoor seating location;
- The outdoor seating location is limited to 50% of the normal indoor capacity or 100 customers, whichever is less;
- The establishment maintains and enforces social distancing, as recommended by the CDC and NCDHHS and complies with outdoor food and drink service regulations promulgated by the Division of Public Health;
- The outdoor seating location may include areas on public sidewalks and public streets, if allowed by the local government;
- A local government may not prohibit the outdoor seating for on-premises consumption of alcohol based upon the outdoor seating location not be a permitted use for on-premises consumption of alcohol under any applicable zoning ordinances.

EFFECTIVE DATE: The bill will become effective when it becomes law and will expire upon the later of: (i) 30 days after any declaration of emergency prohibitions and restrictions applicable expire or are otherwise terminated to permit the establishment to open for full unrestricted service of food or drink or (ii) October 31, 2020.