



HOUSE BILL 91: ABC Laws Modernization/PED Study.

2019-2020 General Assembly

Committee:	House Alcoholic Beverage Control. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	March 19, 2019
Introduced by:	Reps. McGrady, Boles, Horn, Willingham	Prepared by:	Susan Sitze
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 91 would enact recommendations of the Joint Legislative Program Evaluation Oversight Committee which would make the following changes to the Alcoholic Beverage Control (ABC) laws:*

- *Require the merger of ABC systems located in a county with two or more ABC systems.*
- *Repeal the purchase-transportation permit requirement for spirituous liquor.*
- *Require the ABC Commission to submit a quarterly report on its process for obtaining a contract for State warehouse services.*
- *Allow the purchase of individual bottles when placing a special order of spirituous liquor.*
- *Allow local ABC Boards to charge a delivery fee when delivering spirituous liquor to mixed beverage permittees.*
- *Allow local governments the option of operating ABC stores on Sundays.*
- *Allow spirituous liquor tastings at ABC stores.*

[As introduced, this bill was identical to S87, as introduced by Sens. Waddell, Wells, which is currently in Senate Rules and Operations of the Senate.]

BILL ANALYSIS:

Part I of the bill would require counties with two or more ABC systems to merge into one ABC system by June 30, 2021. Any new ABC system established by election in a county where an ABC board is already in existence would be required to merge its board with the existing ABC board.

Part II of the bill would repeal the purchase-transportation permit requirement for fortified wine and spirituous liquor and would allow any amount to be purchased and transported. **Under current law**, [G.S. 18B-303](#) prohibits the purchase or transportation of more than 8 liters of fortified wine or spirituous liquor, or 8 liters of the two combined without a purchase-transportation permit. With a purchase-transportation permit issued under [G.S. 18B-403](#), a person can purchase and transport up to 40 liters of fortified wine or spirituous liquor, or 40 liters of the two combined and a mixed beverage permittee can purchase and transport the amount of fortified wine or spirituous liquor specified on the purchase-transportation permit. This part would become effective July 1, 2019, and apply to fortified wine and spirituous liquor purchased on or after that date.

Karen Cochrane-Brown
Director

H91-SMSA-13(e1)-v-3

Legislative Analysis
Division
919-733-2578

House Bill 91

Page 2

Part III of the bill would require the ABC Commission to make quarterly reports, beginning October 1, 2019, to the chairs of the Joint Legislative Oversight Committee on Justice and Public Safety detailing the progress made in bidding and selecting an independent contractor for the receipt, storage, and distribution of spirituous liquor at and from the State warehouse.

Part IV of the bill would authorize ABC stores to allow the purchase of individual bottles of spirituous liquor purchased through the special order process, and to sell in store any bottles received in excess of what was purchased by the requesting customer. The Commission may establish and charge a fee to a customer for special orders. This part would become effective July 1, 2019, and apply to special orders placed on or after that date.

Part V of the bill would allow local ABC boards to charge a delivery fee sufficient to cover actual costs if it provides delivery of spirituous liquor to mixed beverage permittees. This part would become effective July 1, 2019, and apply to deliveries made on or after that date.

Part VI of the bill would allow counties and cities to adopt an ordinance allowing ABC stores under their operation to be open and selling alcoholic beverages on Sundays. A county or city must consult with its county or city ABC board before adopting an ordinance. This part would become effective July 1, 2019.

Part VII of the bill would authorize spirituous liquor tastings to be held in ABC stores. This part would become effective July 1, 2019.

Part VIII of the bill would require the ABC Commission to amend its rules consistent with the provisions of this bill.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.

BACKGROUND: