



2021-2022 General Assembly

HOUSE BILL 103: 2022 Appropriations Act, Sec. 19A.5: Expand Qualifications for ABC Permitting of Recreation Districts

Committee:
Introduced by:
Analysis of: Sec. 19A.5 of S.L. 2022-74

Date: August 3, 2022
Prepared by: Chris Saunders
Staff Attorney

OVERVIEW: Section 19A.5 of S.L. 2022-74 allows the ABC Commission to issue permits for the sale of malt beverages, unfortified wine, fortified wine, and mixed beverages to qualified businesses in an area that is located in a county that has not approved the issuance of mixed beverages permits; has at least two cities that have approved the sale of malt beverages, wine, and the operation of an ABC store; and contains a facility of at least 90 acres where five or more motorsports-related events are held each year. The permits can only be issued to a facility where five or more motorsports-related events are held, or a qualified business contracting with or located at a facility where five or more motorsports-related events are held, and the sale and consumption of alcoholic beverages must only occur during a motorsports-related event held at the facility.

This section became effective July 11, 2022.

PRIOR LAW AND BILL ANALYSIS: Under prior law, several types of area were designated as "recreation districts," including an area that is located in a county that has not approved the issuance of permits, has at least two cities that have approved the sale of malt beverages, wine, and the operation of an ABC store, and contains a facility of at least 450 acres where five or more public auto racing events are held each year, and an area that is located in a county that borders a county which has held elections pursuant to G.S. 18B-600(f) and borders on another state and which (i) contains a facility of at least 225 acres where four or more public auto racing events are held each year or (ii) contains a facility of at least 140 acres where 80 or more motor sports events are held each year. The recreation district includes the area within a half-mile radius of a racing facility that meets those requirements.

Section 19A.5 of S.L. 2022-74 adds to the definition of "recreation district" an area that is located in a county that has not approved the issuance of mixed beverages permits; has at least two cities that have approved the sale of malt beverages, wine, and the operation of an ABC store; and contains a facility of at least 90 acres where five or more motorsports-related events are held each year. For this type of area, the permits can only be issued to a facility where five or more motorsports-related events are held, or a qualified business contracting with or located at a facility where five or more motorsports-related events are held, and the sale and consumption of alcoholic beverages must only occur during a motorsports-related event held at the facility. It would not include the area within a half-mile radius of the facility.

EFFECTIVE DATE: This section became effective July 11, 2022.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578