



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 454: Concord/Distribution of ABC Net Profits.

2023-2024 General Assembly

Committee:	House Local Government. If favorable, re-	Date:	April 18, 2023
	refer to Rules, Calendar, and Operations of the House		
Introduced by:	Reps. K. Baker, Crutchfield, Staton-Williams	Prepared by:	Alex Ramirez
Analysis of:	First Edition		Nick Giddings Staff Attorney

OVERVIEW: House Bill 454 would change the distribution of ABC net profits in the City of Concord by reducing the amount distributed for law enforcement from 15% to 5%.

CURRENT LAW: Chapter 18B of the General Statutes controls the regulation of alcoholic beverages. G.S.18B-805(b)-(e) provide for the distribution of local ABC revenue in the following priority:

- **Subsection (b)** – Primary distributions.
- **Subsection (c)** – Secondary distributions, including a mandatory amount for law enforcement of at least 5% which is required of all local boards regardless of the provisions of any local act.
- **Subsection (d)** – Retention of revenue for working capital.
- **Subsection (e)** – Local board shall pay each quarter the remaining gross receipts to the general fund of the city or county for which the board is established unless some other distribution is provided for by law.

Section 5.14 of the Charter of the City of Concord outlines the City's distribution of ABC revenue. The Charter provides that after the payment of all costs and operating expenses and after retaining a sufficient working capital, the first 15% of the remaining net profits must be distributed for law enforcement. Of the remaining balance, 25% goes to Cabarrus County and 75% goes to the City of Concord.

BILL ANALYSIS: The bill would change the distribution of ABC profits in the City of Concord by reducing the amount distributed for law enforcement from 15% to 5% of the amount remaining after the payment of costs and operating expenses and retention of sufficient working capital.

EFFECTIVE DATE: This act would be effective when it becomes law.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578