



2023-2024 General Assembly

# SENATE BILL 527: ABC Omnibus 2023-24, Sec. 16: Establish Two New Permits and Regulate Alcohol at Adult Live Entertainment Businesses

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 16 of S.L. 2024-41

**Date:** August 26, 2024  
**Prepared by:** Chris Saunders  
Staff Attorney

**OVERVIEW:** *Section 16 of S.L. 2024-41 creates two new ABC permits:*

- *A cotenant permit, with a fee of \$50.00, which can be issued to a restaurant that occupies the same building as another ABC permittee, provided that the building has no other tenants and the building does not have a common area that is open to the public but not part of the premises of one of the two permittees. The permit authorizes the permittee to allow customers to bring open containers of malt beverages, unfortified wine, fortified wine, or mixed beverages from the premises of the other ABC permittee who occupies the same building onto the premises of the permit holder.*
- *A bring your own beverage permit, with a fee of \$100.00, which can be issued to an adult live entertainment business. This permit authorizes the permittee to allow patrons to bring closed containers of malt beverages and unfortified wine onto the premises and consume the malt beverages and unfortified wine on the premises.*

*This section also makes it unlawful to consume, or to allow the consumption of, alcoholic beverages at any adult live entertainment business except pursuant to one or more ABC permits allowing the sale or consumption of alcohol.*

*This section became effective July 1, 2024.*

**CURRENT LAW:** Existing law generally allows businesses, whether permitted or not, to allow customers to bring unfortified wine and malt beverages onto their premises for consumption on the premises (for example, some restaurants with on-premises unfortified wine permits allow customers to bring their own bottle of wine for a corkage fee). An establishment must have a brown-bagging permit to allow customers to bring fortified wine or spirituous liquor onto the premises and consume them on the premises.

An "adult live entertainment business" is defined as "any establishment or business wherein [any performance of or involving the actual presence of real people which exhibits specified sexual activities or specified anatomical areas] is shown for observation by patrons."

**BILL ANALYSIS:** Section 16 of S.L. 2024-41 creates two new ABC permits:

- A cotenant permit, with a fee of \$50.00, which can be issued to a restaurant that occupies the same building as another ABC permittee, provided that the building has no other tenants and the building does not have a common area that is open to the public but not part of the premises

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# Senate Bill 527

Page 2

of one of the two permittees. The permit authorizes the permittee to allow customers to bring open containers of malt beverages, unfortified wine, fortified wine, or mixed beverages from the premises of the other ABC permittee who occupies the same building onto the premises of the permit holder.

- A bring your own beverage permit, with a fee of \$100.00, which can be issued to an adult live entertainment business. This permit authorizes the permittee to allow patrons to bring closed containers of malt beverages and unfortified wine onto the premises and consume the malt beverages and unfortified wine on the premises.

This section also makes it unlawful to consume, or to allow the consumption of, alcoholic beverages at any adult live entertainment business except pursuant to one or more ABC permits allowing the sale or consumption of alcohol.

**EFFECTIVE DATE:** This section became effective July 1, 2024.