



# HOUSE BILL 921: ABC & Gaming Omnibus Bill.

2025-2026 General Assembly

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<b>Committee:</b>	House Alcoholic Beverage Control. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	May 19, 2026
<b>Introduced by:</b>	Reps. Pickett, Pyrtle, Cairns	<b>Prepared by:</b>	Susan Sitze
<b>Analysis of:</b>	PCS to First Edition H921-CSTQxf-52		Michael Johnston Chris Saunders Committee Co-Counsel

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**OVERVIEW:** *The Proposed Committee Substitute (PCS) to House Bill 921 would make several changes to laws related to alcoholic beverages, game nights, and raffles.*

*This version of the PCS modified Sections 2, 4, 5, 8, 10, 15, 22(b), 22(w), 22(hh), 22(nnn), 22(ooo), 26(a), and 29 from the previous version of the PCS that was distributed to the committee.*

## CURRENT LAW AND BILL ANALYSIS:

### REVISE LAW GOVERNING DISPLAY OF SPIRITUOUS LIQUOR DISTILLED OR PRODUCED IN NORTH CAROLINA

**Section 1** would allow ABC stores to display North Carolina products via a price tag or shelf tag, rather than requiring an area of the store dedicated solely to North Carolina products.

### MODIFY MOBILE BAR SERVICES PERMIT

Section 17 of S.L. 2024-41 created a mobile bar services permit, which authorizes the permittee to bring malt beverages, unfortified wine, fortified wine, and spirituous liquor onto the premises of a business that is not an ABC permittee and to serve the alcoholic beverages to guests at the event.

**Section 2** would:

- Allow a permittee to serve alcoholic beverages to guests at an event occurring on premises owned or possessed by the permittee. However, a permittee could not sell tickets or charge individuals for entry to any event at which the permittee is providing mobile bar services.
- Allow a mobile bar services permit holder to purchase malt beverages and unfortified wine only from a retailer, not a wholesaler.
- Make a technical correction.

### TOWN OF ANGIER ABC BOARD DISTRIBUTIONS

Kara McCraw  
Director



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A 1969 local act authorized the Town of Angier to order an election on whether to establish a local ABC board and operate an ABC store. The Town does have a local board and operates an ABC store. The 1969 local act, as amended by a 1971 local act, requires that 10% of the net profits of the local board be paid to the Angier Community Library. However, the town of Angier no longer administers or operates the Angier Community Library.

**Section 3** would require that 10% of the net profits of the Town's local ABC board be allocated to recreation programs within the Town, and would direct the local board to disburse money it currently holds for distribution to the Angier Community Library for the purpose of recreation programs within the town of Angier.

## **ALLOW MIXED BEVERAGE PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR FROM ANY DESIGNATED ABC STORE IN THE STATE IF THE PERMITTEE'S LOCAL BOARD CANNOT FULFILL AN ORDER**

Under current law, a mixed beverage permittee may purchase spirituous liquor from any ABC store designated as a mixed beverage ABC store operated by any local board operating in the same county as the permittee. If a local board cannot fulfill an order of a mixed beverage permittee for spirituous liquor produced by certain distilleries, the local board can request that the Commission authorize the distillery to ship the ordered liquor directly to the local board.

**Section 4** would provide that if a local board is unable to fulfill a mixed beverage permittee's order and the permittee does not request direct shipment, the local board shall provide a waiver authorizing the permittee to purchase the product from any other ABC store in the State that is designated as a mixed beverage ABC store. The Commission would be responsible for creating a standard waiver form.

This section would become effective August 1, 2026, and would apply to orders placed by a mixed beverage permittee on or after that date.

## **ALLOW CONSUMER TASTINGS OF MIXED BEVERAGES AT ABC STORES UNDER A SPIRITUOUS LIQUOR SPECIAL EVENT PERMIT**

A spirituous liquor special event permit allows the holder to give free tastings of its spirituous liquors at ABC stores where the local board has approved the tasting, at shopping malls, or at trade shows, conventions, street festivals, holiday festivals, agricultural festivals, balloon races, farmers markets, local fund-raisers, and other similar events approved by the Commission.

**Section 5** would allow tastings of mixed beverages containing the spirituous liquor offered for tasting at an ABC store. A mixed beverage offered for tasting could contain no more than 0.25 ounces of spirituous liquor.

## **INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE**

Under current law, an "alcohol consumable" is any manufactured and packaged ice cream, ice pop, gum-based, or gelatin-based food product containing at least one-half of one percent (0.5%) alcohol by volume and is regulated like an alcoholic beverage containing the type of alcohol in the alcohol consumable.

**Section 6** would allow whipped cream containing at least 0.5% alcohol by volume to be sold as an alcohol consumable.

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This section would become effective December 1, 2026, and would apply to offenses committed on or after that date.

## **PROVIDE MIXED BEVERAGE PERMITTEES WITH PRIOR NOTICE OF APPORTIONED PRODUCT LOTTERY**

**Section 7** would define apportioned products as "containers of spirituous liquor that are made available to local boards only by random drawings conducted by the Commission." These are products available in very limited quantities. This section would require a local board conducting a lottery or other random drawing for the sale of an apportioned product to mixed beverage permittees to provide at least 30 days' advance notice of the lottery to each mixed beverage permittee by email or first-class mail.

This section would become effective July 1, 2026, and would apply to lotteries or other random drawings to sell apportioned products on or after that date.

## **AUTHORIZE TEMPORARY AND VARIABLE PRICING PROMOTIONS**

Under ABC Commission rule 14B NCAC 15B .0223, an on-premises permittee may not give away an alcoholic beverage or sell an alcoholic beverage at a price that is different from the usual or established price charged for the alcoholic beverage for any period of time less than one full business day.

**Section 8** would allow an establishment holding an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, or mixed beverages permit to offer pricing adjustments on alcoholic beverages for a specified and limited period of time within a single business day. The pricing adjustments could be advertised on signage on the permittee's premises or through mass media.

This section would become effective October 1, 2026, and would apply to alcoholic beverages sold on or after that date.

## **CLARIFY PERMISSION TO TAKE MIXED BEVERAGES ONTO PERMITTED PREMISES IN A SOCIAL DISTRICT**

Under current law, an ABC permittee in a social district can decide whether to allow customers to bring alcoholic beverages from another business in the social district onto its premises.

**Section 9** would clarify that a permittee in a social district that is not permitted to sell mixed beverages may allow customers to possess and consume mixed beverages purchased from a mixed beverages permittee in the social district on the original permittee's premises.

## **CLARIFY WHEN SPECIAL ONE-TIME PERMITS ARE REQUIRED FOR NONPROFIT ORGANIZATIONS**

A special one-time permit authorizes the sale or service of alcoholic beverages at certain types of events, including nonprofit organization fundraisers.

**Section 10** would provide that when a nonprofit organization holds an event on the premises of a malt beverage, unfortified wine, fortified wine, or mixed beverage permittee and the alcoholic beverages at the event are sold by the permittee from the permittee's inventory, the nonprofit organization is not required to obtain a special one-time permit for the event. This section would also provide that when a nonprofit

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organization, local government, or political organization holds a ticketed event on premises that does not have a permit, they do not need a special one-time permit if the alcohol is provided by a mobile bar services, mixed beverage catering, malt beverage special event, winery special event, or spirituous liquor special event permittee in a manner allowed by their permit.

## **REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT**

**Section 11** would allow an applicant for an ABC permit who has applied to the applicable local government for the Inspection/Zoning Compliance and Local Government Opinion forms but has not received a response from the local government to submit an affidavit stating that the applicant has applied for those approvals. The person must submit the local government approvals or denials to the Commission within 3 business days of receiving them from the local government. A similar provision currently exists for permit applications following a change in ownership of a permitted business.

This section would become effective October 1, 2026, and would apply to applications received on or after that date.

## **REVISE LAW REGULATING THE SALE AND DELIVERY OF MORE THAN ONE DRINK AT A TIME TO A SINGLE PATRON**

Under current law, the holder of an on-premises ABC permit may sell and deliver up to two alcoholic beverage drinks at a time to a person if the drinks are malt beverages or wine.

**Section 12** would allow a permittee to also sell and deliver two mixed beverages at a time to a single patron.

This section would become effective October 1, 2026, and would apply to alcoholic beverages sold on or after that date.

## **REVISE LAW GOVERNING POSSESSION AND CONSUMPTION OF FORTIFIED WINE AND SPIRITUOUS LIQUOR WITHOUT AN ABC PERMIT**

Under current law a person may possess up to eight liters of fortified wine or spirituous liquor for the personal use of the person and the person's guests at any of the following places, without a permit:

- The residence of any other person with that person's consent.
- Any other property not primarily used for commercial purposes and not open to the public at the time the alcoholic beverage is possessed, with the consent of the owner or other person in charge of the property.
- An establishment with a brown-bagging permit.

**Section 13** would allow possession of spirituous liquor on any property that is not a permitted premises and that is not open to the public at the time the alcoholic beverage is possessed, if the owner or other person in charge of the property consents to that possession.

This section would become effective October 1, 2026, and would apply to fortified wine and spirituous liquor possessed and consumed on or after that date.

## **ADD TWO MEMBERS TO THE ABC COMMISSION**

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Under current law, the ABC Commission consists of a chair and two associate members, all of whom are appointed by the Governor.

**Section 14** would add two associate members to the Commission. One would be a current or former holder of a retail or commercial ABC permit, to be appointed by the President Pro Tempore of the Senate. The other would be the current or former holder of a retail or commercial ABC permit, to be appointed by the Speaker of the House of Representatives. This section would also make a conforming change to allow a person who controls a financial interest in a commercial alcoholic beverage enterprise to serve on the Commission.

This section would become effective December 1, 2026.

## THREE-YEAR STATUTE OF LIMITATIONS FOR ABC VIOLATIONS

**Section 15** would provide that, unless otherwise provided by law, there is a three-year statute of limitations for the Commission to seek administrative penalties for an alleged violation of the ABC laws. This section would not prohibit the Commission from refile a contested case that was dismissed without prejudice, provided the Commission refiles within three years of the date the Commission receives the permittee's alleged violation or within one year of the dismissal without prejudice, whichever is later. This would not apply to orders of suspension or revocation for violation of the tax laws, excessive sales of alcohol in an Urban Redevelopment Area, or an undercover operation resulting in five or more persons being criminally charged with violations of the gambling, assault, disorderly conduct, prostitution, controlled substance, or felony criminal counterfeit trademark laws.

This section would be effective when it becomes law and would apply to contested cases commenced or maintained on or after that date.

## TAX RELIEF FOR SMALL BREWERIES AND MICRODISTILLERIES

**Section 16** would define a "small brewery" as a brewery that produces no more than 600,000 barrels of malt beverages annually and a "microdistillery" as a distillery that withdraws no more than 50,000 proof gallons of spirituous liquor annually from bonded premises. This section would authorize two excise tax credits:

- A credit for a local ABC board or a distillery equal to the excise tax due on sales of spirituous liquor produced by a microdistillery.
- A credit for a malt beverage wholesaler or importer equal to the excise tax due on sales of malt beverages produced by a small brewery.

A microdistillery or small brewery would have to register with the Department of Revenue. A person claiming a credit would forfeit any credit taken in violation of this section, plus a penalty of 25% of taxes avoided.

This section would become effective January 1, 2027, and would apply to malt beverages and to spirituous liquor first sold or otherwise disposed of on or after that date. However, the Secretary of Revenue could begin registering persons as a microdistillery or small brewery on September 1, 2026.

## ESTABLISH SERVICE BUSINESS PERMIT

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**Section 17** would establish a new retail ABC permit: the service business permit. The service business permit would allow the permittee to furnish complimentary malt beverages and unfortified wine to customers, in conjunction with the provision of a service, for consumption on the premises at no extra charge to the customers. The permit could be issued to service businesses, which would be defined as establishments that are primarily engaged in the business of providing services to the general public that require an occupational license issued by the State. A service business permittee could only furnish up to two servings of alcoholic beverages to any individual customer in any calendar day, and a service business permittee could only furnish malt beverages or unfortified wine to customers if on-premises permits of that type of alcoholic beverage can be issued in that jurisdiction. Section 17 would also make conforming changes to other sections in the ABC statutes.

This section would become effective July 1, 2026.

## COUNTY MIXED BEVERAGE ELECTION AMENDMENT

Under current law, if a county desires to hold a mixed beverage election they must already operate a county ABC store or hold an ABC store election at the same time as the mixed beverage election.

**Section 18** would allow a county to hold a mixed beverage election without operating an ABC store, if a city located in the county operates at least one ABC store.

This section would be retroactively effective October 1, 2024.

## BROWN BAGGING TECHNICAL CORRECTION

Under current law, bars are listed under the types of businesses that can receive a brown-bagging permit under G.S. 18B-1001. However, the ABC Commission is limited from issuing brown-bagging permits to bars due to G.S. 18B-603(d).

**Section 19** would clarify that the ABC Commission can issue brown-bagging permits to bars.

## AIRPORT TECHNICAL CORRECTION

**Section 20** would correct a citation error in an existing statute.

## ALLOW ALCOHOL SALES AT MILLENNIAL CAMPUSES AT UNIVERSITY OF NORTH CAROLINA INSTITUTIONS AND AT THE HORACE WILLIAMS CAMPUS OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

Millennial Campuses are designated by the University of North Carolina System (UNC) Board of Governors to allow public-private partnerships where the university can issue long-term leases to private industry to promote economic development, such as Centennial Campus at NC State University. The Horace Williams Campus is a large tract owned by the University of North Carolina at Chapel Hill north of the main campus that has partially been designated as a Millennial Campus.

Under current law, the ABC Commission may issue permits for the sale of alcoholic beverages at restaurants, eating establishments, food businesses, or retail businesses on Centennial Campus.

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**Section 21** would allow the ABC Commission to issue permits for the sale of alcoholic beverages at restaurants, eating establishments, food businesses, or retail businesses on Millennial Campuses at other UNC institutions and the Horace Williams Campus.

## **ALLOW THE SALE OF PREMIXED COCKTAILS FOR ON-PREMISES AND OFF-PREMISES CONSUMPTION AND ALLOW WHOLESALERS TO DISTRIBUTE PREMIXED COCKTAILS**

Under current law, premixed cocktails are classified as spirituous liquor. A premixed cocktail contains no more than 13% alcohol by volume and the manufacturer's original container must be no more than 24 ounces. The holder of a mixed beverages permit may sell premixed cocktails for consumption on the premises. Premixed cocktails may be sold at retail for off-premises consumption only in ABC stores, except to the extent that mixed beverage permittees may sell mixed beverages in a sealed container with food.

**Section 22** would classify premixed cocktails as a new category of alcoholic beverages and would no longer classify them as spirituous liquor or mixed beverages. This section would modify the definition of premixed cocktail under the ABC laws to be no more than 9.9% alcohol by volume. A person who holds a malt beverage, unfortified wine, fortified wine, or mixed beverage permit could sell premixed cocktails pursuant to the person's existing permits in the same manner as allowed by the permit (i.e. on-premises versus off-premises). ABC stores would also continue to sell premixed cocktails, which would have a uniform State price in all ABC stores. Premixed cocktails sold in ABC stores would still go through the State Warehouse.

The holder of a distillery permit would still be allowed to produce premixed cocktails; a separate commercial permit would not be required. An excise tax of \$2.50 per gallon would apply to the sale of premixed cocktails.

This section would also establish a new premixed cocktail franchise law to provide that premixed cocktails would be distributed in a three-tier system as malt beverages are currently distributed under current law. A supplier would have to contract with a wholesaler for distribution of premixed cocktails. That provision would be effective when it becomes law, and would apply to distribution agreements entered into and transactions conducted on or after that date.

The section would also make numerous conforming changes throughout Chapter 18B to account for the new classification of premixed cocktails as a category of alcoholic beverages that may be sold outside the ABC system.

Except as otherwise provided, this section would become effective October 1, 2026, and would apply to premixed cocktails sold on or after that date.

## **ALLOW WINERIES TO SELL MALT BEVERAGES FOR ON-PREMISES CONSUMPTION**

Under current law, wineries are allowed to sell the wine owned by the winery at the winery for on- or off-premises consumption upon obtaining the appropriate retail permit, regardless of the results of any local wine election.

**Section 23** would revise the statutes governing wineries to allow wineries to sell malt beverages for on-premises consumption upon obtaining the appropriate retail permit, regardless of the results of any local malt beverage election.

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## **ALLOW OFF-PREMISES WINE TASTINGS AND CLARIFY THAT WINE SHOP PERMITTEES MAY HOLD MALT BEVERAGE SHOP PERMITS AND THAT MALT BEVERAGE SHOP PERMITTEES MAY HOLD WINE SHOP PERMITS**

Under G.S. 18B-1001(16), wine shop permittees are allowed to sell unfortified wine for consumption on the premises, provided that the sale of wine for consumption on the premises does not exceed 40% of the establishment's total sales for any 30-day period. Under G.S. 18B-1001(16a), malt beverage shop permittees are allowed to sell malt beverages for consumption on the premises, provided that the sale of malt beverages for consumption on the premises does not exceed 40% of the establishment's total sales for any 30-day period.

**Section 24** would:

- Provide that a wine shop permittee is eligible to hold a malt beverage shop permit and that a malt beverage shop permittee is eligible to hold a wine shop permit. However, in the event that an establishment possesses both a wine shop permit and a malt beverage shop permit, the total sales of any alcoholic beverages for consumption on the licensed premises could not exceed 40% of the establishment's total sales for any 30-day period.
- Allow the holder of an on-premises unfortified wine permit or a wine shop permit to conduct wine tastings at a consumer's private residence or a location not holding a retail ABC permit where consumers are educated about selection, serving, and storing of wine. Consumers could buy wine for future delivery or pick-up at the permittee's permitted premises.

## **CLARIFY SAFE HARBOR FOR LATE ABC PERMIT RENEWALS**

In 2024, the General Assembly enacted a safe harbor to allow a one-month period where permits may be renewed after the end of the May 1 – April 30 permit year for a 25% late fee.

**Section 25** would clarify that retail permits must not be revoked for failure to pay an annual registration or renewal fee until June 1 of each year. This section would also clarify that notice of unpaid renewal application fees or annual registration fees must be provided by email or first-class mail.

This section would be retroactively effective June 28, 2024.

## **MODIFY THE PROHIBITIONS ON ABC PERMITTEES EMPLOYING CERTAIN INDIVIDUALS**

Under current law, a person is ineligible to be employed to sell or distribute alcoholic beverages if the person was convicted of a misdemeanor controlled substances offense within the last two years.

**Section 26** would allow a person who has been convicted of a misdemeanor controlled substances offense to be employed to sell or distribute alcoholic beverages. This section would also provide that if the ABC Commission notifies a permittee that an employee is ineligible to work in the permittee's establishment due to a past offense, the permittee would have 30 days to claim undue hardship and can continue to employ the person until a final determination of undue hardship.

This section would be effective when it becomes law and would apply to individuals employed by ABC permittees and undue hardship proceedings initiated or pending on or after that date.

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## ALLOW IN-STAND SALES AT CONCERTS

Under current law, a retail permittee may sell malt beverages in the seating areas of stadiums, ballparks, and similar public places with a seating capacity of 3,000 or more during professional sporting events. The seating areas must be designated as part of the retail permittee's licensed premises, service of food and nonalcoholic beverages must be available, and sales must be suspended in the latter portion of the sporting event pursuant to ABC Commission rule 14B NCAC 15B .0103.

**Section 27** would allow in-stand sales of alcoholic beverages at concerts at places with a seating capacity of 3,000 or more under the same rules that apply to professional sporting events.

## AMEND DEFINITION OF TOURISM ABC ESTABLISHMENT

A "tourism ABC establishment" is defined in part as "a restaurant or hotel that meets both of the following requirements: Is located on property, a property line of which is located within 1.5 miles of the end of an entrance or exit ramp of a junction on a national scenic parkway designed to attract local, State, national, and international tourists between the State line and Milepost 469... [and] is located in a county in which the on-premises or off-premises sale of malt beverages or unfortified wine is authorized in at least one city." A tourism ABC establishment may obtain on-premises malt beverage, on-premises unfortified wine, on-premises fortified wine, and mixed beverage permits without approval at an election pursuant to G.S. 18B-603(f)(7).

North Carolina has 62 designated scenic byways selected by the North Carolina Department of Transportation.

**Section 28** would make two changes to the definition of tourism ABC establishment to include a hotel or restaurant in a county in which the on-premises or off-premises sale of malt beverages or unfortified wine is authorized in at least one city, if the hotel or restaurant is located on property meeting either of the following criteria:

- A property line of the property is located within two miles of the end of an entrance or exit ramp of a junction on a national scenic parkway designed to attract local, State, national, and international tourists between the State line and Milepost 469.
- A property line of the property is located within three miles of the State line, and the property is adjacent to a North Carolina scenic byway.

## PREVENT USAGE OF MARKUPS TO SET MINIMUM PRICING FOR SPECIFIC PRODUCTS

Under current law, the retail price of spirituous liquor sold in ABC stores and permitted distilleries is uniform throughout the State. The sale price of spirituous liquor is determined based on the formula in G.S. 18B-804, which includes the distiller's price, freight and bailment charges, local board markups, excise taxes, various charges, the bailment surcharge, and a rounding adjustment.

**Section 29** would require that all charges, surcharges, markups, and adjustments determined by the Commission pursuant to G.S. 18B-804 be uniform and applicable to all spirituous liquor approved for sale in the State. The Commission would not be allowed to apply charges, surcharges, markups, or adjustments based on the type or amount of spirituous liquor in order to establish a minimum price for a product or class of products.

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## REVISE LAW GOVERNING GAME NIGHTS

Under current law, a facility authorized to host a game night may host up to 2 game nights per calendar month, and an exempt nonprofit organization may conduct or sponsor up to four events per year.

**Section 30** would authorize a qualified facility to host up to 24 game nights per calendar year, which would allow for the same number of game nights to be held but would allow more than 2 to be held per calendar month. This section would also increase the number of events an exempt nonprofit organization could conduct or sponsor from 4 to 24 events per year.

This section would become effective October 1, 2026, and would apply to game nights conducted on or after that date.

## REVISE LAW GOVERNING RAFFLES

Under current law, nonprofit organizations may hold up to five raffles per year, with a maximum cash prize of \$125,000 or merchandise with a fair market value of \$125,000. The total fair market value of prizes offered by a nonprofit organization may not exceed \$250,000 per calendar year. Real estate may also be offered as a prize in a raffle, and the total appraised value of all real estate prizes offered by the nonprofit organization must not exceed \$2,250,000. No less than 90% of the proceeds of a raffle must be used for charitable, religious, educational, civic, or other nonprofit purposes, and none of the proceeds may be used to pay a person to conduct the raffle or to rent a building to conduct any part of the raffle.

**Section 31** would consolidate several existing definitions in G.S. 14-309.15 into one subsection, and would also define the new term "50/50 raffle" as "a raffle conducted by a nonprofit organization or any government entity within the State whereby funds collected by sale of raffle tickets are split evenly between the prize winner or winners and the nonprofit organization or government entity after the raffle drawing." A 50/50 raffle would be exempt from all the restrictions applicable to other types of raffles, including the number that can be held per year and the amount of prizes that can be awarded per year.

This section would become effective August 1, 2026, and would apply to offenses committed on or after that date.

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