

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 190
Committee Substitute Favorable 4/11/01
Senate Education/Higher Education Committee Substitute Adopted 8/28/02
Fourth Edition Engrossed 8/28/02

Short Title: Viticulture/Enology Course Authorization. (Public)

Sponsors:

Referred to:

February 21, 2001

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE HOLDER OF A VITICULTURE/ENOLOGY COURSE
AUTHORIZATION TO MANUFACTURE, POSSESS, AND SELL WINE FOR
CERTAIN LIMITED PURPOSES AS A PART OF A COMMUNITY COLLEGE'S
OR COLLEGE'S VITICULTURE/ENOLOGY PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. Article 11 of Chapter 18B of the General Statutes is amended
by adding a new section to read:

"§ 18B-1114.4. Viticulture/Enology course authorization.

(a) Authorization. – The holder of a viticulture/enology course authorization
may:

(1) Manufacture wine from grapes grown on the school's campus or leased
property for the purpose of providing instruction and education on the
making of unfortified wines.

(2) Possess wines manufactured during the viticulture/enology program
for the purpose of conducting wine-tasting seminars and classes for
students who are 21 years of age or older.

(3) Sell wines produced during the course to wholesalers or to retailers
upon obtaining a wine wholesaler permit under G.S. 18B-1107, except
that the permittee may not receive shipments of wines from other
producers.

(b) Limitation. – Authorization for a viticulture/enology course shall be granted
by the Commission only for a community college or college that offers a
viticulture/enology program as a part of its curriculum offerings for students of the
school. No retail sales of wine shall be made by the students, instructor, or school.
Wines may be manufactured only from grapes grown in a viticulture/enology course

1 vineyard, not to exceed five acres, that is located on the school's campus or leased
2 property.

3 (c) The holder of a viticulture/enology course authorization may manufacture
4 wines from grapes grown by others until June 30, 2004. Otherwise, wine may be
5 manufactured only as provided in subsection (b) of this section.

6 (d) The holder of a viticulture/enology course authorization shall not be
7 considered a winery for the purposes of this Chapter or Chapter 105 of the General
8 Statutes."

9 **SECTION 2. G.S. 18B-1101 reads as rewritten:**

10 **"§ 18B-1101. Authorization of unfortified winery permit.**

11 The holder of an unfortified winery permit may:

- 12 (1) Manufacture unfortified wine;
- 13 (2) Sell, deliver and ship unfortified wine in closed containers to
14 wholesalers licensed under this Chapter as authorized by the ABC
15 laws, except that wine may be sold to exporters and nonresident
16 wholesalers only when the purchase is not for resale in this State;
- 17 (2a) Receive, in closed containers, unfortified wine produced inside or
18 outside North Carolina under the winery's label from grapes, berries,
19 or other fruits owned by the winery, and sell, deliver, and ship that
20 wine to wholesalers, exporters, and nonresident wholesalers in the
21 same manner as its wine manufactured in North Carolina. This
22 provision may be used only by a winery during its first three years of
23 operation or when there is substantial damage to its grapes, berries, or
24 other fruits from catastrophic crop loss. This provision may be used
25 only three years out of every 10 years and notice must be given to the
26 Commission each time this provision is used;
- 27 (3) Ship its wine in closed containers to individual purchasers inside and
28 outside this State;
- 29 (4) Furnish or sell "short-filled" packages, on which State taxes have been
30 or will be paid, to its employees for the use of the employees or their
31 families and guests in this State;
- 32 (5) Regardless of the results of any local wine election, sell the wine
33 owned by the winery at the winery for on- or off-premise consumption
34 upon obtaining the appropriate permit under G.S. 18B-1001;
- 35 (6) Sell the wine owned by the winery for on- or off-premise consumption
36 at no more than three other locations in the State, upon obtaining the
37 appropriate permit under G.S. 18B-1001; and
- 38 (7) Obtain a wine wholesaler permit to sell, deliver, and ship at wholesale
39 unfortified wine manufactured at the winery. The authorization of this
40 subdivision applies only to a winery that annually sells, to persons
41 other than exporters and nonresident wholesalers when the purchase is
42 not for resale in this State, no more than 300,000 gallons of unfortified
43 wine manufactured by it at the winery.

1 A sale under subdivision (4) shall not be considered a retail or wholesale sale under
2 the ABC laws."

3 **SECTION 3.** G.S. 66-58(c) is amended by adding a new subdivision to read:

4 "(1a) The sale of products raised or produced incident to the operation of a
5 community college viticulture/enology program as authorized by G.S.
6 18B-1114.4."

7 **SECTION 4.** This act is effective when it becomes law.