

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 768
May 3, 2021
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40465-ML-121

Short Title: LRC ABC Law Study.

(Public)

Sponsors: Representative Moffitt.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO DIRECT THE LEGISLATIVE RESEARCH COMMISSION TO STUDY THE
3 ALCOHOLIC BEVERAGE CONTROL LAWS IN THIS STATE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Study. – The Legislative Research Commission (LRC) shall study
6 revising the laws set forth in Chapter 18B of the General Statutes governing the manufacturing,
7 sale, possession, and consumption of alcoholic beverages in this State. The study required under
8 this section shall include all of the following:

- 9 (1) A comparative analysis on how the federal government and other states
10 regulate the manufacturing, sale, possession, and consumption of alcoholic
11 beverages, including how the federal government and other states regulate the
12 labeling of alcoholic beverages, the distribution of alcoholic beverages, and
13 the assortment of alcoholic beverages that may be manufactured, sold,
14 possessed, or consumed.
- 15 (2) A comparative analysis on how other states (i) regulate the sale of spirituous
16 liquor, (ii) define and regulate alcohol consumables, (iii) define and issue
17 permits for the manufacturing or sale of alcoholic beverages, and (iv) define
18 and regulate periods of the day in which alcoholic beverages may be sold for
19 on-premises consumption at a reduced price.
- 20 (3) All of the following:
- 21 a. The advisability and necessity of expanding and clarifying the
22 definition set forth in G.S. 18B-101 for the term "premises."
- 23 b. How to modify the process used for determining which spirituous
24 liquor products may be sold in ABC stores to allow for more selection.
- 25 c. How the process for issuing permits pursuant to Chapter 18B of the
26 General Statutes can be streamlined.
- 27 d. The feasibility and advisability of allowing malt beverages and wine
28 wholesalers to offer the same payment terms the wholesalers receive
29 from the manufacturing tier.
- 30 e. The feasibility and advisability of allowing mixed beverages
31 permittees the option of purchasing spirituous liquor directly from an
32 in-State distillery if the local ABC board refuses to purchase spirituous
33 liquor from the distillery.
- 34 f. The feasibility and advisability of expanding the usage of signage and
35 other advertising by permittees to promote the sale of alcoholic
36 beverages.



- 1 g. The advisability and necessity of allowing malt beverages wholesalers
- 2 to exchange a seasonal malt beverage product for another seasonal
- 3 malt beverage product when the first seasonal product is about to go
- 4 out of date.
- 5 h. The advisability and necessity of amending the law requiring
- 6 wholesalers to serve permittees without discrimination to (i) expand it
- 7 to prohibit age, race, gender, national origin, and economic
- 8 discrimination and (ii) allow a permittee within a franchise territory to
- 9 purchase product outside the franchise territory if the wholesaler
- 10 refuses to sell to the permittee.
- 11 i. The feasibility of setting the amount of fines assessed by the
- 12 Commission for violations of the ABC laws, as defined in
- 13 G.S. 18B-101, based either on the value of alcohol sales made by the
- 14 offending permittee or on the volume of alcohol sold by the offending
- 15 permittee. The study required under this sub-subdivision shall include
- 16 an examination of the opportunities and challenges arising from the
- 17 implementation of either approach, the resources needed for
- 18 implementing either approach, any ramifications either approach
- 19 would have on the proportionality of penalties assessed on offending
- 20 permittees, and any legislative changes necessary to implement either
- 21 approach.
- 22 j. Any other matters the LRC deems relevant to its efforts.

23 **SECTION 2.** Report. – The LRC shall report its findings, together with any proposed
24 legislation, to the 2022 Regular Session of the 2021 General Assembly upon its convening.

25 **SECTION 3.** Effective Date. – This act is effective when it becomes law.