

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

S

5

SENATE BILL 664  
Commerce and Insurance Committee Substitute Adopted 4/8/25  
Third Edition Engrossed 4/10/25  
House Committee Substitute Favorable 6/10/25  
House Committee Substitute #2 Favorable 6/24/25

Short Title: JMAC/ABC/Other Revisions.

(Public)

Sponsors:

Referred to:

March 26, 2025

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW FLEXIBILITY IN THE EVENT OF NONCOMPLIANCE WITH A  
3 JMAC AGREEMENT; TO AMEND THE ABC LAWS TO EXPAND USE OF  
4 ALTERNATING PROPRIETORSHIPS, EXPAND CULINARY PERMITS, AND MAKE  
5 CORRECTIONS CONCERNING "TO-GO" MIXED BEVERAGES TO CONFORM WITH  
6 FEDERAL LAW; TO PROVIDE THAT CONTRACTS FOR CONSTRUCTION OF  
7 WATER AND SEWAGE SYSTEMS OR FACILITIES MAY BE AWARDED WHEN AT  
8 LEAST TWO COMPETITIVE BIDS HAVE BEEN RECEIVED; TO PROVIDE AN  
9 EXEMPTION FROM NONBETTERMENT COSTS FOR CERTAIN MUNICIPALITIES;  
10 TO MAKE THE STATE, CITY, OR PUBLIC AUTHORITY REQUIRING THE  
11 RELOCATION OF UTILITY FACILITIES RESPONSIBLE FOR THE COST OF  
12 RELOCATION; AND TO MAKE A TECHNICAL CORRECTION TO THE MEGASITES  
13 READINESS PROGRAM.

14 The General Assembly of North Carolina enacts:

15  
16 **PART I. REVISIONS TO JMAC REQUIREMENTS**

17 **SECTION 1.** G.S. 143B-437.012 reads as rewritten:

18 **"§ 143B-437.012. Job Maintenance and Capital Development Fund.**

19 ...

20 (d) Eligibility. – A business is eligible for consideration for a grant under this section if  
21 it satisfies the conditions of subdivision (1), (1a), (2), (2a), or (2b) of this subsection and satisfies  
22 subdivision (4) of this subsection:

23 (1) The business is a major employer. A business is a major employer if the  
24 business meets the following requirements:

25 a. The Department certifies that the business has invested or intends to  
26 invest at least two hundred million dollars (\$200,000,000) of private  
27 funds in improvements to real property and additions to tangible  
28 personal property in the project within a six-year period beginning  
29 with the time the investment commences.

30 b. The business employs at least 2,000 full-time employees or equivalent  
31 full-time contract employees at the project that is the subject of the  
32 grant at the time the application is made, and the business agrees to  
33 maintain at least 2,000 full-time employees or equivalent full-time



- 1 contract employees at the project for the full term of the grant  
2 agreement.
- 3 c. The project is located in a development tier one area at the time the  
4 business applies for a grant.
- 5 (1a) The business previously received a grant as a major employer under this  
6 section and meets the following requirements:
- 7 a. The Department certifies that the business has invested or intends to  
8 invest at least one hundred fifty million dollars (\$150,000,000) of  
9 private funds in improvements to real property and additions to  
10 tangible personal property in the project within a six-year period  
11 beginning with the time the investment commences. Amounts certified  
12 as invested under sub-subdivision a. of subdivision (1) of this  
13 subsection shall not be included in the amount required by this  
14 sub-subdivision.
- 15 b. The business employs at least 2,000 full-time employees or equivalent  
16 full-time contract employees at the project that is the subject of the  
17 grant at the time the application is made and the business agrees to  
18 maintain at least 2,000 full-time employees or equivalent full-time  
19 contract employees at the project for the full term of the grant  
20 agreement.
- 21 c. The project is at the same location as that for which a grant was  
22 previously awarded under subdivision (1) of this subsection.
- 23 (2) The business is a large manufacturing employer. A business is a large  
24 manufacturing employer if the business meets the following requirements:
- 25 a. The business is in manufacturing, as defined in G.S. 105-129.81, and  
26 is converting its manufacturing process to change the product it  
27 manufactures or is investing in its manufacturing process by  
28 enhancing pollution controls or transitioning the manufacturing  
29 process from using coal to using natural gas for the purpose of  
30 becoming more energy efficient or reducing emissions.
- 31 b. The Department certifies that the business has invested or intends to  
32 invest at least fifty million dollars (\$50,000,000) of private funds in  
33 improvements to real property and additions to tangible personal  
34 property in the project within a five-year period beginning with the  
35 time the investment commences.
- 36 c. The business meets one of the following employment requirements:
- 37 1. If in a development tier one area, the business employs at least  
38 320 full-time employees at the project that is the subject of the  
39 grant at the time the application is made, and the business  
40 agrees to maintain at least 320 full-time employees at the  
41 project for the full term of the grant.
- 42 2. If in a development tier two area with a population of less than  
43 60,000 as of July 1, 2013, the business employs at least 800  
44 full-time employees or equivalent full-time contract employees  
45 at the project that is the subject of the grant at the time the  
46 application is made, and the business agrees to maintain at least  
47 800 full-time employees or equivalent full-time contract  
48 employees at the project for the full term of the grant.
- 49 (2a) The business is a heritage manufacturing employer. A business is a heritage  
50 manufacturing employer if the business meets the following requirements:

- 1                   a.       The business is in manufacturing, as defined in G.S. 143B-437.01, and  
2                   has been operating in this State for over 100 years.
- 3                   b.       The Department certifies that the business has invested or intends to  
4                   invest at least three hundred twenty-five million dollars  
5                   (\$325,000,000) of private funds in improvements to real property and  
6                   additions to tangible personal property in the project within a four-year  
7                   period beginning with the time the investment commences.
- 8                   c.       The business employs at least 1,050 full-time employees or equivalent  
9                   full-time contract employees in the State at the time the application is  
10                  made and the business agrees to (i) maintain at least 1,050 full-time  
11                  employees or equivalent full-time contract employees in the State for  
12                  the full term of the grant and (ii) retrain and relocate to a development  
13                  tier two area at least 400 of those full-time employees or equivalent  
14                  full-time contract employees upon the commencement of commercial  
15                  production at its tier two area facility.
- 16                  d.       The business is operating in a development tier three area at the time  
17                  the business applies for a grant and the business is relocating to a  
18                  development tier two area with an estimated population of less than  
19                  63,000, according to the 2017 Certified County Population Estimates  
20                  published by the State Demographer's Office.
- 21                  e.       An agreement with a business under this subdivision may provide that  
22                  the grant paid out over the term of the agreement be in unequal annual  
23                  payments and in amounts deviating from the factors listed in  
24                  subsection (l) of this section for any individual annual payment,  
25                  provided the factors are considered in the aggregate award to be paid  
26                  to the business over the entire term of the agreement.
- 27                  (2b)   The business is a supply-chain-impact manufacturing employer. A business is  
28                  a supply-chain-impact manufacturing employer if the business meets the  
29                  following requirements:
- 30                       a.       The business is in manufacturing, as defined in G.S. 105-129.81,  
31                       manufactures a product used primarily and significantly in the  
32                       construction of residential and commercial buildings, and is investing  
33                       in its manufacturing process to transition away from utilizing  
34                       coal-based energy byproducts to other alternatives.
- 35                       b.       The Department certifies that the business has invested or intends to  
36                       invest at least one hundred ten million dollars (\$110,000,000) of  
37                       private funds in improvements to real property and additions to  
38                       tangible personal property in the project within a five-year period  
39                       beginning with the time the investment commences.
- 40                       c.       The business and its affiliated companies (i) employ at least 420  
41                       full-time employees or equivalent full-time contract employees in the  
42                       State at the time the application is made and (ii) agree to maintain at  
43                       least 420 full-time employees or equivalent full-time contract  
44                       employees in the State for the full term of the grant.
- 45                       d.       The business has operations in a development tier two area at the time  
46                       the business applies for a grant, and the business agrees to maintain or  
47                       increase the development tier two area operations for the term of the  
48                       agreement.
- 49                  ...
- 50                  (j)       Agreement. – Unless the Secretary of Commerce determines that the project is no  
51                  longer eligible or appropriate for a grant under this section, the Department shall enter into an

1 agreement to provide a grant or grants for a project recommended by the Committee. Each grant  
2 agreement (i) is binding and constitutes a continuing contractual obligation of the State and the  
3 ~~business. The grant agreement business, (ii)~~ shall include the performance criteria, remedies, and  
4 other safeguards recommended by the Committee or required by the ~~Department.~~Department,  
5 and (iii) shall contain the following provisions:

6 ~~Each grant agreement shall contain a~~

7 (1) A provision prohibiting a business from receiving a payment or other benefit  
8 under the agreement at any time when the business has received a notice of an  
9 overdue tax debt and the overdue tax debt has not been satisfied or otherwise  
10 resolved. ~~Each grant~~

11 (2) A provision requiring the business to maintain an employment level. For the  
12 purposes of this subsection, the employment level includes full-time  
13 employees and equivalent full-time contract employees. The applicable  
14 employment level is as follows:

15 a. If the grant agreement is for a business that is has qualified as a major  
16 employer under subdivision (1) of subsection (d) of this section shall  
17 contain section, a provision requiring the business to maintain the  
18 employment level at the project that is the subject of the agreement  
19 that is the lesser of the level it had at the time it applied for a grant  
20 under this section or that it had at the time that the investment required  
21 under subsection (d) of this section began. For the purposes of this  
22 subsection, the employment level includes full time employees and  
23 equivalent full time contract employees. The agreement shall further  
24 specify that the amount of a grant shall be reduced in proportion to the  
25 extent the business fails to maintain employment at this level and that  
26 the business shall not be eligible for a grant in any year in which its  
27 employment level is less than eighty percent (80%) of that required at  
28 the level required in subdivision (d)(1) of this section. The provision  
29 shall further require, in the event the business fails to maintain the  
30 required level of employment by more than 100 employees, a one  
31 percent (1%) reduction of the grant for every one employee below that  
32 threshold.

33 b. ~~Each~~ If the grant agreement is for a business that is has not qualified  
34 as a major employer under subdivision (1) of subsection (d) of this  
35 section shall contain section, a provision requiring the business to  
36 maintain the employment level required under that subdivision at the  
37 project that is the subject of the grant. The agreement provision shall  
38 further specify that the business is not eligible for a grant in any year  
39 in which the business fails to maintain the employment level.

40 A grant agreement may obligate the State to make a series of grant payments over a period  
41 of up to 10 years. Nothing in this section constitutes or authorizes a guarantee or assumption by  
42 the State of any debt of any business or authorizes the taxing power or the full faith and credit of  
43 the State to be pledged.

44 The Department shall cooperate with the Attorney General's office in preparing the  
45 documentation for the grant agreement. The Attorney General shall review the terms of all  
46 proposed agreements to be entered into under this section. To be effective against the State, an  
47 agreement entered into under this section shall be signed personally by the Attorney General.

48 (k) Safeguards. – To ensure that public funds are used only to carry out the public  
49 purposes provided in this section, the Department shall require that each business that receives a  
50 grant under this section shall agree to meet performance criteria to protect the State's investment  
51 and ensure that the projected benefits of the project are secured. The performance criteria to be

required shall include ~~maintenance of an appropriate level of employment at specified levels of compensation, compensation for required levels of employment,~~ maintenance of health insurance for all full-time employees, investment of a specified amount over the term of the agreement, and any other criteria the Department considers appropriate. The agreement shall require the business to repay or reimburse an appropriate portion of the grant based on the extent of any failure by the business to meet the performance criteria. The agreement shall require the business to repay all amounts received under the agreement and to forfeit any future grant payments if the business fails to satisfy the investment eligibility requirement of this section. The use of contract employees shall not be used to reduce compensation at the project that is the subject of the agreement.

...."

## PART II. REVISIONS TO ABC LAWS

**SECTION 2.(a)** G.S. 18B-903 reads as rewritten:

### "§ 18B-903. Duration of permit; renewal and transfer.

...

(c1) Construction of Change in Ownership. – Nothing in subsection (c) of this section shall be construed to limit alternating ~~brewery~~ proprietorships in which the holder of a ~~brewery~~ permit under G.S. 18B-1101, 18B-1102, 18B-1104, or 18B-1105 leases or otherwise makes available its facility to another holder of a ~~brewery permit.~~ permit under G.S. 18B-1101, 18B-1102, 18B-1104, or 18B-1105. For purposes of this section, if authorized by federal law, the host ~~brewery facility~~ may also hold, at the same facility, brewery, unfortified winery, fortified winery, and distillery permits pursuant to G.S. 18B-1101, 18B-1102, 18B-1104, and 18B-1105. In this arrangement, the tenant ~~brewery producer~~ shall maintain title to the ~~malt~~ beverages at all states of the ~~brewing~~ process and shall be responsible for all aspects associated with manufacturing the product, including maintaining appropriate records, obtaining label approval in its own name, and remitting the appropriate taxes. Alternating brewery proprietorships are authorized between affiliated breweries, but shall not be used as a means to allocate production quantities between affiliated breweries to obtain a malt beverage wholesaler permit pursuant to G.S. 18B-1104(a)(8) where either brewery would not otherwise qualify for a permit, and the Commission shall have no authority to grant an exemption to this requirement pursuant to G.S. 18B-1116(b).

...."

**SECTION 2.(b)** G.S. 18B-1105 reads as rewritten:

### "§ 18B-1105. Authorization of distillery permit.

(a) The holder of a distillery permit may do any of the following:

...

(4) Sell spirituous liquor distilled or produced at the distillery in closed containers to visitors who tour the distillery for consumption off the premises. The length, content, and other parameters of the tour shall be at the discretion of the distillery, and the distillery shall not be required to maintain records related to tours. Sales under this subdivision are allowed only in a county where the establishment of a county or municipal ABC store has been approved pursuant to G.S. 18B-602(g) and may occur between the hours of 9:00 A.M. and 9:00 P.M. on Monday through Saturday of each week, from 12:00 noon to 9:00 P.M. on Sundays, and from 9:00 A.M. to 9:00 P.M. on each of the following holidays that do not fall on a Sunday: New Year's Day, Fourth of July, Labor Day, and Thanksgiving Day. Spirituous liquor sold under this subdivision shall (i) be listed as a code item for sale in the State, (ii) be sold at the price set by the Commission for the code item pursuant to G.S. 18B-804(b), and (iii) have affixed to its bottle any labeling requirements set by law. A bottle of spirituous liquor sold under this subdivision may have personalized labeling.

The personalized labeling shall comply with any other labeling requirements set by law. The personalized labeling shall not cover any portion of the manufacturer's original label. For purposes of this subdivision, the term "personalized labeling" means the inclusion of any of the following on the label:

- a. The name of the purchaser of the bottle or the name of any individual, business entity, or club on whose behalf the bottle is purchased.
- b. "Bottled for," "distilled for," "in honor of," or other similar language.
- c. Dates, locations, occasions, and other similar information.

(4a) In an area where the sale of mixed beverages is authorized by law, sell mixed beverages for consumption on the premises, or for consumption off the premises in accordance with the requirements for sale for consumption off the premises described in G.S. 18B-1001(10). If a distillery elects to sell mixed beverages containing spirituous liquor other than that produced at the distillery, the distillery shall obtain a mixed beverages permit pursuant to G.S. 18B-1001.

(4b) If the distillery is located on a property used for bona fide farm purposes, as defined in G.S. 160D-102(3), sell mixed beverages containing only spirituous liquor produced at the distillery for consumption on the premises, or for consumption off the premises in accordance with the requirements for sale for consumption off the premises described in G.S. 18B-1001(10), regardless of the results of any local mixed beverage election.

(4c) In an area where the sale of mixed beverages has not been approved by a local election, sell mixed beverages containing only spirituous liquor produced at the distillery for consumption on the premises, or for consumption off the premises in accordance with the requirements for sale for consumption off the premises described in G.S. 18B-1001(10), upon obtaining a mixed beverages permit under G.S. 18B-1001.

(5) Conduct consumer tastings, sell mixed beverages, and provide spirituous liquor in closed containers in accordance with G.S. 18B-1114.7.

...

(a1) A distillery participating in an alternating proprietorship may sell any product it produces or distills at the permitted location pursuant to subdivision (4), (4a), (4b), (4c), or (5) of subsection (a) of this section at any time the sale of spirituous liquor is allowed on the premises pursuant to those subdivisions. The distilleries in an alternating proprietorship may contract for the host distillery to manage sales of spirituous liquor for the other distillery pursuant to subdivision (4), (4a), (4b), (4c), or (5) of subsection (a) of this section, but each distillery shall be responsible for maintaining appropriate records and remitting the appropriate taxes. Only the host distillery shall be required to have a mixed beverage permit, if required, if the host distillery sells the other distillery's spirituous liquor in mixed beverages.

...."

**SECTION 3.** G.S. 18B-1001(11) reads as rewritten:

"(11) Culinary Permit. – A culinary permit authorizes a permittee to possess up to 12 liters of either fortified wine or spirituous liquor, or 12 liters of the two combined, in the kitchen of a business and to use those alcoholic beverages for culinary ~~purposes~~ purposes only. The permit may be issued for ~~either~~ any of the following:

- a. ~~Restaurants;~~ Restaurants.
- b. ~~Hotels;~~ Hotels.
- c. Cooking schools.
- d. Food businesses.

e. Eating establishments.

A culinary permit may also be issued to a catering service to allow the possession of the amount of fortified wine and spirituous liquor stated above at the business location of that service and at the cooking site. The permit shall also authorize the caterer to transport those alcoholic beverages to and from the business location and the cooking site, and use them in cooking."

**SECTION 4.(a)** G.S. 18B-1001 reads as rewritten:

**"§ 18B-1001. Kinds of ABC permits; places eligible.**

When the issuance of the permit is lawful in the jurisdiction in which the premises are located, the Commission may issue the following kinds of permits:

...

(3) On-Premises Unfortified Wine Permit. – An on-premises unfortified wine permit authorizes (i) the retail sale of unfortified wine for consumption on the premises, either alone or mixed with other beverages, (ii) the retail sale of unfortified wine in the manufacturer's original container for consumption off the premises, and (iii) the retail sale of unfortified wine dispensed from a tap connected to a pressurized container utilizing carbon dioxide or similar gas into a cleaned and sanitized container that is filled or refilled and sealed for consumption off the premises and that identifies the permittee and the date the container was filled or refilled. The permit also authorizes the permittee to transfer unfortified wine, not more than four times per calendar year, to another on-premises unfortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises unfortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship unfortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued for any of the following:

- a. Restaurants.
- b. Hotels.
- c. Eating establishments.
- d. Private clubs.
- e. Convention centers.
- f. Cooking schools.
- g. Community theatres.
- h. Wineries.
- i. Wine producers.
- j. Retail businesses.
- k. Sports and entertainment venues.

l. Bars.

m. The holder of a distillery permit authorized under G.S. 18B-1105.

n. Breweries.

Additionally, an on-premises unfortified wine permit authorizes a permittee that is a restaurant, eating establishment, hotel, private club, bar, brewery, winery, or wine producer to sell at retail single-serving unfortified wine drinks for consumption off the premises, including delivery by the permittee or a delivery service permittee. Single-serving unfortified wine drinks sold for consumption off the premises must be sold with food and shall be packaged in a container with a secure lid or cap and in a manner designed to prevent consumption without removal of the lid or cap. The container shall be no greater than 24 fluid ounces. ~~Notwithstanding~~ In accordance with G.S. 20-138.7, the transportation of single-serving unfortified wine drinks in a motor vehicle shall not be unlawful if the container continues to be sealed and is in the passenger area of a motor vehicle. is an unopened manufacturer's original container or is transported in a locked container, in the trunk, or in the area behind the last upright seat in a motor vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale of more than two single-serving unfortified wine drinks at one time shall not be unlawful if the single-serving unfortified wine drinks are sold for delivery or consumption off the permittee's premises. No single-serving unfortified wine by the drink ordered for off-premises consumption shall be provided to any person other than the purchaser of the single-serving unfortified wine drink, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the single-serving unfortified wine drink to a person other than the purchaser if the permittee or the permittee's employees or agents verify that the person is over 21 years of age using age verification software requiring the recipient to provide a form of photographic identification authorized in G.S. 18B-302(d)(1).

...

(5) On-Premises Fortified Wine Permit. – An on-premises fortified wine permit authorizes the retail sale of fortified wine for consumption on the premises, either alone or mixed with other beverages, and the retail sale of fortified wine in the manufacturer's original container for consumption off the premises. The permit also authorizes the permittee to transfer fortified wine, not more than four times per calendar year, to another on-premises fortified wine permittee that is under common ownership or control as the transferor. Except as authorized by this subdivision, transfers of wine by on-premises fortified wine permittees, purchases of wine by a retail permittee from another retail permittee for the purpose of resale, and sale of wine by a retail permittee to another retail permittee for the purpose of resale are unlawful. In addition, a particular brand of wine may be transferred only if both the transferor and transferee are located within the territory designated between the winery and the wholesaler on file with the Commission. Prior to or contemporaneous with any such transfer, the transferor shall notify each wholesaler who distributes the transferred product of the transfer. The notice shall be in writing or verifiable electronic format and shall identify the transferor and transferee, the date of the transfer, quantity, and items transferred. The holder of the permit is authorized to ship fortified wine in closed containers to individual purchasers inside and outside the State. Orders received by a winery by telephone, Internet, mail, facsimile, or other off-premises means of



communication shall be shipped pursuant to a wine shipper permit and not pursuant to this subdivision. The permit may be issued for any of the following:

- a. Restaurants.
- b. Hotels.
- c. Private clubs.
- d. Community theatres.
- e. Wineries.
- f. Convention centers.
- g. Bars.
- h. The holder of a distillery permit authorized under G.S. 18B-1105.
- i. Sports and entertainment venues.
- j. Breweries.

Additionally, an on-premises fortified wine permit authorizes a permittee that is a restaurant, hotel, private club, bar, brewery, or winery to sell at retail single-serving fortified wine drinks for consumption off the premises, including delivery by the permittee or a delivery service permittee. Single-serving fortified wine drinks sold for consumption off the premises must be sold with food and shall be packaged in a container with a secure lid or cap and in a manner designed to prevent consumption without removal of the lid or cap. The container shall be no greater than 24 fluid ounces. ~~Notwithstanding~~ In accordance with G.S. 20-138.7, the transportation of single-serving fortified wine drinks in a motor vehicle shall not be unlawful if the container ~~continues to be sealed and is in the passenger area of a motor vehicle.~~ is an unopened manufacturer's original container or is transported in a locked container, in the trunk, or in the area behind the last upright seat in a motor vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale of more than two single-serving fortified wine drinks at one time shall not be unlawful if the single-serving fortified wine drinks are sold for delivery or consumption off the permittee's premises. No single-serving fortified wine by the drink ordered for off-premises consumption shall be provided to any person other than the purchaser of the single-serving fortified wine drink, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the single-serving fortified wine drink to a person other than the purchaser if the permittee or the permittee's employees or agents verify that the person is over 21 years of age using age verification software requiring the recipient to provide a form of photographic identification authorized in G.S. 18B-302(d)(1).

...

- (10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail sale of mixed beverages for consumption on the premises. The permit also authorizes a mixed beverages permittee to obtain an antique spirituous liquor permit under subdivision (20) of this section and to use for culinary purposes spirituous liquor lawfully purchased for use in mixed beverages. The permit may be issued for any of the following:
- a. Restaurants.
  - b. Hotels.
  - c. Private clubs.
  - d. Convention centers.
  - e. Community theatres.
  - f. Nonprofit organizations.

- g. Political organizations.
- h. Sports and entertainment venues.
- i. Bars.
- j. The holder of a distillery permit authorized under G.S. 18B-1105.
- k. Breweries.
- l. Wineries.

Additionally, a mixed beverages permit authorizes a permittee that is a restaurant, hotel, private club, bar, brewery, winery, or the holder of a distillery permit to sell at retail mixed beverages for consumption off the premises, including delivery by the permittee or a delivery service permittee. A mixed beverage sold for consumption off the premises must be sold with food and shall be (i) a premixed cocktail in the manufacturer's original closed container, or (ii) packaged in a container with a secure lid or cap, and in a manner designed to prevent consumption without removal of the lid or cap. The container shall be no greater than 24 fluid ounces. ~~Notwithstanding In accordance with~~ G.S. 20-138.7, the transportation of a mixed beverage in a motor vehicle shall not be unlawful if the container continues to be sealed and is in the passenger area of a motor vehicle. is an unopened manufacturer's original container or is transported in a locked container, in the trunk, or in the area behind the last upright seat in a motor vehicle not equipped with a trunk. Notwithstanding G.S. 18B-1010, the sale of more than one mixed beverage drink at one time shall not be unlawful if the mixed beverage drinks are sold for delivery or consumption off the permittee's premises. No mixed beverage ordered for off-premises consumption shall be provided to any person other than the purchaser of the mixed beverage, except that in the case of delivery, the delivery service permittee through its employees or agents may provide the mixed beverage to a person other than the purchaser if the permittee or the permittee's employees or agents verify that the person is over 21 years of age using age verification software requiring the recipient to provide a form of photographic identification authorized in G.S. 18B-302(d)(1).

...."

**SECTION 4.(b)** G.S. 20-138.7(a) reads as rewritten:

"(a) Offense. – No person shall drive a motor vehicle on a highway or the right-of-way of a ~~highway-highway~~ while both of the following conditions are met:

- (1) ~~While there~~ There is an alcoholic beverage in the passenger area in other than the unopened manufacturer's original container or a container that remains securely sealed pursuant to G.S. 18B-1001(3), 18B-1001(5), or 18B-1001(10).container.
- (2) ~~While the~~ The driver is consuming alcohol or while alcohol remains in the driver's body."

**SECTION 4.(c)** This section becomes effective October 1, 2025, and applies to offenses committed on or after that date.

### **PART III. MODIFY WATER AND SEWER PROJECT BID REQUIREMENTS**

**SECTION 5.(a)** G.S. 143-132 is amended by adding a new subsection to read:

"(a1) Notwithstanding the provisions of subsection (a) of this section, no contract to which G.S. 143-129 applies for construction of water systems or facilities, or sewage disposal systems or facilities, shall be awarded by any board or governing board of the State, or any political subdivision of the State, unless two competitive bids have been received from reputable and qualified contractors regularly engaged in their respective lines of endeavor. Except as provided in this subsection, all requirements of subsection (a) of this section apply to the receipt of bids

and the award of construction contracts. For purposes of this subsection, the following definitions shall apply:

- (1) Sewage disposal systems or facilities. – Sewage disposal systems or facilities, including all plants, works, instrumentalities, and properties used or useful in the collection, treatment, purification, or disposal of sewage.
- (2) Water systems or facilities. – Water systems or facilities, including all plants, works, instrumentalities, and properties used or useful in obtaining, conserving, treating, and distributing water for domestic or industrial use, irrigation, sanitation, fire protection, or any other public or private use."

**SECTION 5.(b)** This section is effective when it becomes law and applies to contracts entered into on or before December 31, 2030.

#### **PART IV. EXEMPTION FROM NONBETTERMENT COSTS**

**SECTION 6.(a)** G.S. 136-27.1 reads as rewritten:

**"§ 136-27.1. Relocation of water and sewer lines of municipalities, nonprofit water or sewer corporations or associations, local boards of education, and certain private water or sewer utilities.**

(a) The Department of Transportation shall pay the nonbetterment cost for the relocation of water and sewer lines, located within the existing State transportation project right-of-way, that are necessary to be relocated for a State transportation improvement project and that are owned by: (i) a municipality with a population of ~~10,000~~ 20,000 or less according to the latest decennial census; (ii) a nonprofit water or sewer association or corporation; (iii) any water or sewer system organized pursuant to Chapter 162A of the General Statutes; (iv) a rural water system operated by a County as an enterprise system; (v) any sanitary district organized pursuant to Part 2 of Article 2 of Chapter 130A of the General Statutes; (vi) constructed by a water or sewer system organized pursuant to Chapter 162A of the General Statutes and then sold or transferred to a municipality with a population of greater than ~~10,000~~ 20,000 according to the latest decennial census; (vii) a local board of education; or (viii) a private water or sewer utility organized pursuant to Chapter 62 of the General Statutes serving ~~10,000~~ 20,000 or fewer customers.

(b) A municipality with a population of greater than ~~10,000~~ 20,000 shall pay a percentage of the nonbetterment cost for relocation of water and sewer lines owned by the municipality and located within the existing State transportation project right-of-way that are necessary to be relocated for a State transportation improvement project. The percentage shall be based on the municipality's population, with the Department paying the remaining costs, as follows:

- (1) A municipality with a population of greater than ~~10,000~~ 20,000, but less than 50,000, shall pay twenty-five percent (25%) of the cost.
- (2) A municipality with a population of 50,000 or greater, but less than 100,000, shall pay fifty percent (50%) of the cost.
- (3) A municipality with a population of 100,000 or greater shall pay one hundred percent (100%) of the cost."

**SECTION 6.(b)** This section is effective retroactive to January 1, 2025, and applies to (i) nonbetterment costs arising after that date and (ii) nonbetterment costs arising before that date but unpaid by a municipality on that date.

#### **PART V. MAKE THE STATE, CITY, OR PUBLIC AUTHORITY REQUIRING THE RELOCATION OF UTILITY FACILITIES RESPONSIBLE FOR THE COST OF RELOCATION**

**SECTION 7.(a)** G.S. 136-18(10) reads as rewritten:

"(10) To make proper and reasonable rules, regulations, and ordinances for the placing or erection of telephone, telegraph, electric, and other lines, above or

below ground, wireless facilities, signboards, fences, gas, water, sewerage, oil, or other pipelines, and other similar obstructions that may, in the opinion of the Department of Transportation, contribute to the hazard upon any of the highways or in any way interfere with the highways, and to make reasonable rules and regulations for the proper control thereof. And whenever the order of the Department of Transportation shall require the removal of, or changes in, the location of telephone, telegraph, electric, or other lines, wireless facilities, signboards, fences, gas, water, sewerage, oil, or other pipelines, or other similar obstructions, the owners thereof shall at their own expense, except as provided in ~~G.S. 136-19.5(e)~~, G.S. 136-19.5(c) or G.S. 136-19.5(c1), move or change them to conform to the order of the Department of Transportation. Any violation of these rules and regulations or noncompliance with these orders constitutes a Class 1 misdemeanor. For purposes of this subdivision, "wireless facilities" has the definition set forth in G.S. 160D-931."

**SECTION 7.(b)** G.S. 136-19.5 is amended by adding a new subsection to read:

"(c1) If the relocation of utility facilities within the meaning of 23 U.S.C. § 123, and as applied by the U.S. Department of Transportation in 23 C.F.R. § 645.105, is necessitated by the construction of a project on the federal-aid interstate system, including extensions thereof within urban areas, and the cost of the project is eligible and approved for reimbursement by the federal government under the Federal-Aid Highway Act, or any amendment thereof, then in that event the owner or operator of the facilities shall perform any necessary work upon notice from the Department of Transportation, and the State shall pay the entire expense properly attributable to such work after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility."

**SECTION 7.(c)** Article 15 of Chapter 160A of the General Statutes is amended by adding a new section to read:

**"§ 160A-296.2. Relocation of communications service facilities.**

Whenever a city requires or directs the removal or relocation of facilities installed or operated in the city's rights-of-way by an owner or operator of broadband services, video programming services pursuant to a franchise issued by the Secretary of State, telephone or telegraph lines, or a wireless facility, as defined in G.S. 160D-931(22), the owner or operator shall remove or relocate the facilities, and the city shall reimburse the owner or operator for the costs and expenses attributable thereto. This section shall not apply to a city with a population of less than 5,000 according to the most recent federal decennial census."

**SECTION 7.(d)** G.S. 160A-479.15 reads as rewritten:

**"§ 160A-479.15. Removal and relocation of utility structures.**

(a) An authority may require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances or facilities in, upon, under, over, across or along any land or facility where an authority has the right to own, construct, operate or maintain its facilities to remove or relocate such installation, structures, equipment, apparatus, appliances or facilities from their location. For purposes of this section, the term "public service corporation" includes an owner or operator of broadband services, video programming services pursuant to a franchise issued by the Secretary of State, telephone or telegraph lines, or a wireless facility, as that term is defined in G.S. 160D-931(22).  
...."

**SECTION 7.(e)** G.S. 160A-621 reads as rewritten:

**"§ 160A-621. Removal and relocation of utility structures.**

(a) The Authority shall have the power to require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances or facilities in, upon, under, over, across or along any ways on which the

Authority has the right to own, construct, operate or maintain its public transportation system, to relocate such installation, structures, equipment, apparatus, appliances or facilities from their locations, or, in the sole discretion of the affected public utility, railroad, or other public service corporation, to remove such installations, structures, equipment, apparatus, appliances or facilities from their locations. For purposes of this section, the term "public service corporation" includes an owner or operator of broadband services, video programming services pursuant to a franchise issued by the Secretary of State, telephone or telegraph lines, or a wireless facility, as that term is defined in G.S. 160D-931(22).

...."

**SECTION 7.(f)** G.S. 160A-651 reads as rewritten:

**"§ 160A-651. Removal and relocation of utility structures.**

(a) The Authority shall have the power to require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances, or facilities in, upon, under, over, across or along any ways on which the Authority has the right to own, construct, operate, or maintain its public transportation system, to relocate such installation, structures, equipment, apparatus, appliances, or facilities from their locations, or, in the sole discretion of the affected public utility, railroad, or other public service corporation, to remove such installations, structures, equipment, apparatus, appliances, or facilities from their locations. For purposes of this section, the term "public service corporation" includes an owner or operator of broadband services, video programming services pursuant to a franchise issued by the Secretary of State, telephone or telegraph lines, or a wireless facility, as that term is defined in G.S. 160D-931(22).

...."

## **PART VI. MEGASITES READINESS PROGRAM TECHNICAL CORRECTION**

**SECTION 8.** Section 11.11 of S.L. 2022-74, as amended by Section 11.11 of S.L. 2023-134 and Section 4.2 of S.L. 2025-4, reads as rewritten:

**"SECTION 11.11.(a)** Purpose. – It is in the best economic and developmental interests of the State to support the development of megasites to ensure the State's ongoing competitiveness for major manufacturing opportunities, including, but not limited to, the aerospace, automotive, clean energy, food processing, semiconductor, and life science industries. The purpose of this section is to establish a competitive grant program serving to do the following:

- (1) Identify and evaluate up to seven megasites for preferred development and marketing.
- (2) Assist local governments or a partnership of local governments in the acquisition of a newly identified or existing megasite.
- (3) Support local governments or a partnership of local governments to analyze, plan, install, or upgrade public infrastructure, including water, gas, and sewer systems, transportation infrastructure, and the electric infrastructure necessary to meet the needs of prospective employers for megasites.

...."

## **PART VII. EFFECTIVE DATE**

**SECTION 9.** Except as otherwise provided, this act is effective when it becomes law, and Section 1 of this act applies to awards in effect on or after that date.