

**2009 STATEWIDE LEGISLATION
AFFECTING ALCOHOLIC BEVERAGE CONTROL**

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Session Law 2009-36 [H 186] — Local objection to location of ABC store

The act amends G.S. 18B-801 to provide that a local ABC board may not locate a new store at any location inside a city if the city council passes a resolution objecting to the location after conducting a public hearing. The local ABC board still may request the ABC Commission to approve the location, and the commission has the final say. Upon notice from the city the commission must give the city an additional 45 days to conduct a hearing and submit its objection to a location. The act applies to ABC store locations announced October 1, 2009, or later.

Session Law 2009-105 [H 759] — Extension of recycling deadline for permit holders

G.S. 18B-902 and -903 require applicants for on-premises retail sale permits and holders of such permits submitting annual registration or renewal to submit plans for recycling all beverage containers. The amendment allows the permit holder to request a one-year stay from the ABC Commission based on the inability to find a recycler. The act is retroactive to applications and renewals submitted January 1, 2009, or later.

Session Law 2009-377 [H 1595] — Malt beverage tasting permits

Chapter 18B already provides for issuance of a permit to allow the holder of a retail ABC permit, such as a grocery store, to conduct wine tastings. This act adds similar provisions for malt beverage tastings. A representative of the brewery or wholesaler needs to be present; samplings may not be more than two ounces; there can be no charge for the tasting; and servers must be at least 21. The act also provides for issuance of permits to breweries to give free tastings at trade shows, conventions, street festivals, shopping malls, fund-raisers and similar events. The act is effective October 1, 2009.

Session Law 2009-381 [H 1228] — No waiting period for private clubs

G.S. 18B-1008 authorizes the ABC Commission to set rules specifying the kinds of places that can qualify for mixed drink permits. The statute has said that the ABC Commission may require a private club to have a waiting period for membership of up to 30 days. This act repeals the waiting period provision.

Session Law 2009-451 [S 202] — Increases in ABC taxes, changes in distribution

The state budget act increases the excise taxes on beer (53.177 cents per gallon to 61.71 cents, about 20 cents per case), unfortified wine (21 cents per liter to 26.34 cents, about 4 cents per bottle), fortified wine (24 cents per liter to 29.34 cents), and spirituous liquor (from 25 percent of taxable ABC store sales to 30 percent). The increases, which take effect September 1, 2009, will all go to the state. Additionally, the city and county shares of beer and wine excise taxes will be reduced by about 2/3 for the annual distribution made in May 2010 for the year that ends March 31, 2010 — in other words, the distribution that affects fiscal 2009-10 — but then will be restored to their present levels for the May 2011 distribution.

Session Law 2009-539 [H 667] — College research, teaching programs; sales by wineries; more sports clubs

This act combines several different amendments to Chapter 18B. First, it amends G.S. 18B-103 to specifically authorize community college and university programs and the Cooperative Extension Service to use alcohol for research, teaching and extension programs. Second, it authorizes schools that have viticulture/enology courses to sell the wines produced during the course at one off-campus location in the county where classes are held. Third, it allows wineries and wine producers (farms that produce grapes for wine) to sell their wine at one location in the county in addition to the winery. Fourth, it authorizes the issuance of sports club permits to horse boarding and training facilities that have on-site dining and lodging and host events sanctioned by the United States Equestrian Federation. Sports clubs qualify for permits regardless of whether there has been a local election permitting sales.