

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1108
Committee Substitute Favorable 5/22/97
Committee Substitute #2 Favorable 6/12/97
Senate Finance Committee Substitute Adopted 7/17/97

Short Title: Brew on Premises Permits.

(Public)

Sponsors:

Referred to: Commerce.

April 21, 1997

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE ALCOHOLIC BEVERAGE CONTROL COMMISSION
3 TO ISSUE PERMITS FOR "BREW ON PREMISES" BUSINESSES.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 18B-307 reads as rewritten:

6 **"§ 18B-307. Manufacturing offenses.**

7 (a) Offenses. – It shall be unlawful for any person, except as authorized by this
8 Chapter, to:

9 (1) Sell or possess equipment or ingredients intended for use in the
10 manufacture of any alcoholic ~~beverage; beverage, except equipment and~~
11 ingredients provided under a Brew on Premises permit; or

12 (2) Knowingly allow real or personal property owned or possessed by him
13 to be used by another person for the manufacture of any alcoholic
14 ~~beverage; beverage, except pursuant to a Brew on Premises permit.~~

15 (b) Unlawful Manufacturing. – Except as provided in G.S. 18B-306, it shall be
16 unlawful for any person to manufacture any alcoholic ~~beverage; beverage, except at an~~

1 establishment with a Brew on Premises permit, without first obtaining the applicable
2 ABC permit and revenue licenses.

3 (c) Second Offense of Manufacturing. – A second offense of unlawful
4 manufacturing of alcoholic beverage shall be a Class I felony."

5 Section 2. G.S. 18B-902(d) reads as rewritten:

6 "(d) Fees. – An application for an ABC permit shall be accompanied by payment of
7 the following application fee:

- 8 (1) On-premises malt beverage permit – \$200.00.
- 9 (2) Off-premises malt beverage permit – \$200.00.
- 10 (3) On-premises unfortified wine permit – \$200.00.
- 11 (4) Off-premises unfortified wine permit – \$200.00.
- 12 (5) On-premises fortified wine permit – \$200.00.
- 13 (6) Off-premises fortified wine permit – \$200.00.
- 14 (7) Brown-bagging permit – \$200.00, unless the application is for a
15 restaurant seating less than 50, in which case the fee shall be \$100.00.
- 16 (8) Special occasion permit – \$200.00.
- 17 (9) Limited special occasion permit – \$25.00.
- 18 (10) Mixed beverages permit – \$750.00.
- 19 (11) Culinary permit – \$100.00.
- 20 (12) Unfortified winery permit – \$150.00.
- 21 (13) Fortified winery permit – \$150.00.
- 22 (14) Limited winery permit – \$150.00.
- 23 (15) Brewery permit – \$150.00.
- 24 (16) Distillery permit – \$150.00.
- 25 (17) Fuel alcohol permit – \$50.00.
- 26 (18) Wine importer permit – \$150.00.
- 27 (19) Wine wholesaler permit – \$150.00.
- 28 (20) Malt beverage importer permit – \$150.00.
- 29 (21) Malt beverage wholesaler permit – \$150.00.
- 30 (22) Bottler permit – \$150.00.
- 31 (23) Salesman permit – \$25.00.
- 32 (24) Vendor representative permit – \$25.00.
- 33 (25) Nonresident malt beverage vendor permit – \$50.00.
- 34 (26) Nonresident wine vendor permit – \$50.00.
- 35 (27) Any special one-time permit under G.S. 18B-1002 – \$25.00.
- 36 (28) Winery special event permit – \$100.00.
- 37 (29) Mixed beverages catering permit – \$100.00.
- 38 (30) Guest room cabinet permit – \$750.00.
- 39 (31) Liquor importer/bottler permit – \$250.00.
- 40 (32) Brew on premises permit – \$200.00."

41 Section 3. G.S. 18B-1001 is amended by adding a new subdivision to read:

42 "(14) Brew on Premises Permit. – A permit may be issued to a business,
43 located in a jurisdiction where the sale of malt beverages is allowed,

1 where individual customers who are 21 years old or older may
2 purchase ingredients and rent the equipment, time, and space to brew
3 malt beverages for personal use in amounts set forth in 27 C.F.R. §
4 25.205. The customer must do all of the following:

- 5 a. Select a recipe and kettle.
- 6 b. Weigh out the proper ingredients and add them to the kettle.
- 7 c. Transfer the wort to the fermenter.
- 8 d. Add the yeast.
- 9 e. Place the ingredients in a fermentation room.
- 10 f. Filter, carbonate, and bottle the malt beverage.

11 A permittee may transfer the ingredients from the fermentation room to
12 the cold room and may assist the customer in all the steps involved in
13 brewing a malt beverage except adding the yeast. A malt beverage
14 produced under this subdivision may not contain more than six percent
15 (6%) alcohol by volume."

16 Section 4. This act is effective when it becomes law.