

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 870

Short Title: ABC Law Omnibus Bill. (Public)

Sponsors: Representatives Pickett, Saine, T. Brown, and Willingham (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Alcoholic Beverage Control, if favorable, Finance, if favorable, Rules, Calendar,
and Operations of the House

April 26, 2023

A BILL TO BE ENTITLED

1 AN ACT TO PROHIBIT PATRONS OF CERTAIN ESTABLISHMENTS FROM BRINGING
2 MALT BEVERAGES AND UNFORTIFIED WINE ONTO THE PREMISES AND
3 CONSUMING THE MALT BEVERAGES OR UNFORTIFIED WINE UNLESS THE
4 ESTABLISHMENT HOLDS A PERMIT; TO ALLOW MIXED BEVERAGES
5 PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR FROM ANY ABC STORE
6 DESIGNATED TO MAKE SALES TO MIXED BEVERAGES PERMITTEES; TO
7 ALLOW RESTAURANTS AND BARS HOLDING MIXED BEVERAGES PERMITS TO
8 SELL SPIRITUOUS LIQUOR WITH PERSONALIZED LABELING IN CLOSED
9 CONTAINERS FOR CONSUMPTION OFF THE PREMISES; TO ELIMINATE THE
10 PHYSICAL MIXED BEVERAGES TAX STAMP AND TO ENSURE COMPLIANCE
11 WITH THE CHARGE ASSESSED ON SPIRITUOUS LIQUOR SOLD TO MIXED
12 BEVERAGE PERMITTEES THROUGH RECORD KEEPING; TO ALLOW
13 ON-PREMISES ABC PERMIT HOLDERS TO CONDUCT CERTAIN SALES AND
14 ADVERTISING; TO DIRECT THE ALCOHOLIC BEVERAGE CONTROL
15 COMMISSION TO IMPLEMENT A SYSTEM FOR APPLICANTS, PERMITTEES, AND
16 LOCAL ABC BOARDS TO CONDUCT BUSINESS WITH THE COMMISSION
17 ELECTRONICALLY; TO DIRECT THE ALCOHOLIC BEVERAGE CONTROL
18 COMMISSION TO AMEND THE DEFINITION OF COOPERATIVE ADVERTISING
19 ESTABLISHED BY RULE; AND TO DIRECT THE ALCOHOLIC BEVERAGE
20 CONTROL COMMISSION TO IMPLEMENT A CENTRALIZED ELECTRONIC
21 INVENTORY MANAGEMENT SYSTEM.

22 The General Assembly of North Carolina enacts:

23
24
25 **PART I. REQUIRE PERMIT FOR PERSONS TO BRING MALT BEVERAGES AND**
26 **UNFORTIFIED WINE ON THE PREMISES OF CERTAIN ESTABLISHMENTS**

27 **SECTION 1.(a)** G.S. 18B-1001 is amended by adding a new subdivision to read:

28 "(24) Bring Your Own Beverage Permit. – A bring your own beverage permit
29 authorizes each individual patron of an establishment listed in this
30 subdivision, with the permission of the permittee, to bring malt beverages,
31 unfortified wine, or malt beverages and unfortified wine onto the premises and
32 consume the malt beverages, unfortified wine, or malt beverages and
33 unfortified wine on the premises. The permit may be issued for any of the
34 following:



- 1 a. Restaurants.
- 2 b. Eating establishments.
- 3 c. Food businesses.
- 4 d. Retail businesses.
- 5 e. Private clubs.
- 6 f. Convention centers.
- 7 g. Community theatres.
- 8 h. Breweries as authorized by subdivisions (7) and (8) of
- 9 G.S. 18B-1104(a).
- 10 i. Sports and entertainment venues.
- 11 j. Private bars.
- 12 k. The holder of a distillery permit authorized under G.S. 18B-1105."

13 **SECTION 1.(b)** G.S. 18B-300 is amended by adding a new subsection to read:

14 "(b1) Consumption of Malt Beverages and Unfortified Wine Brought onto Premises. – It
 15 shall be unlawful for an individual patron of an establishment listed in subdivision (24) of
 16 G.S. 18B-1001 to bring malt beverages, unfortified wine, or malt beverages and unfortified wine
 17 onto the premises and to consume those malt beverages, unfortified wine, or malt beverages and
 18 unfortified wine on the premises unless (i) the establishment holds a permit issued under
 19 subdivision (1), (3), (10), or (24) of G.S. 18B-1001 and (ii) the permittee provides permission to
 20 bring and consume on the premises the malt beverages, unfortified wine, or malt beverages and
 21 unfortified wine."

22 **SECTION 1.(c)** G.S. 18B-902(d) is amended by adding a new subdivision to read:

23 "(52) Bring your own beverage permit – \$500.00."

24 **SECTION 1.(d)** This section becomes effective July 1, 2023.

25
 26 **PART II. EXPAND NUMBER OF ABC STORES FROM WHICH MIXED BEVERAGES**
 27 **PERMITTEES MAY PURCHASE SPIRITUOUS LIQUOR**

28 **SECTION 2.(a)** G.S. 18B-600 reads as rewritten:

29 **"§ 18B-600. Places eligible to hold alcoholic beverage elections.**

30 ...

31 (e) City Mixed Beverage Elections. – A city may hold a mixed beverage election if the
 32 city has at least 500 registered voters. Provided, that if a city that qualifies for an election under
 33 this subsection approves the sale of mixed beverages, a mixed beverages ~~permittees-permittee~~ in
 34 the city may purchase liquor from the any ABC store designated by the any local ABC board that
 35 has been approved by the Commission for this purpose to make sales to mixed beverages
 36 permittees.

37 (e1) Small City Mixed Beverage Elections. – A city may also hold a mixed beverage
 38 election if the city has at least 300 registered voters and is located in a county with at least one
 39 other city that has approved the sale of mixed beverages. Provided, that if a city that qualifies for
 40 an election under this subsection approves the sale of mixed beverages, a mixed beverages
 41 permittees-permittee in the smaller city may purchase liquor from the any ABC store designated
 42 by any local ABC board in any other city that has approved the sale of mixed beverages to make
 43 sales to mixed beverages permittees.

44 This subsection shall not apply to Alamance, Avery, Burke, Caldwell, Carteret, Cleveland,
 45 Henderson, Onslow, Polk, Robeson, Rowan, Rutherford, and Wilkes Counties.

46 (e2) Ski Resorts ABC Elections. – Notwithstanding any other provisions of this section,
 47 any city that provides governmental services to as many as 1,000 snow skiers weekly during the
 48 normal ski season from December 1 through March 15, may hold an election authorized by
 49 subdivision (a)(1), (2), or (4) of this section. If the sale of mixed beverages is approved, the sales
 50 of liquor shall be made by any ABC store designated by any local board ~~designated by the State~~
 51 ABC Commission to make sales to mixed beverages permittees.

1 (e3) Small Town Mixed Beverage Elections. – A town may hold a mixed beverage election
 2 if the town (i) has at least 200 registered voters, is located in a county bordering the Neuse River
 3 and Pamlico Sound that has not approved the sale of mixed beverages, and that county has only
 4 one city that has approved the sale of mixed beverages or (ii) has at least 200 registered voters,
 5 has a total area of less than 1 square mile, operates an ABC store, and is located in a county that
 6 has at least three cities that have approved the sale of mixed beverages. Provided, that if a town
 7 that qualifies for an election under this subsection approves the sale of mixed beverages, a mixed
 8 beverages permittees-permittee in the town may purchase liquor from ~~the any~~ ABC store
 9 designated by any local ABC board ~~in any other city that has approved the sale of mixed~~
 10 ~~beverages to make sales to mixed beverages permittees.~~

11 (e4) Multicounty/City ABC Elections. – If a city is located in two or more counties, the
 12 following provisions shall apply:

- 13 (1) The city may hold a malt beverage or unfortified wine election if any county
 14 in which a portion of the city is located has already held such an election, the
 15 vote in the last election of the particular type was against the sale of that type
 16 of alcoholic beverage, and the city has a population of 500 or more.
- 17 (2) The city may hold a mixed beverage election if the city has at least 500
 18 registered voters and a county in which a portion of the city is located operates
 19 ABC stores, or a municipality in either county in which the city is located
 20 operates an ABC store.
- 21 (3) If an election is held by a city under this subsection, all of the city voters may
 22 vote in the election. If the vote is for approval, alcoholic beverages may be
 23 sold on the basis of that approval and under the provisions of this Chapter. If
 24 the sale of mixed beverages is approved, ~~the a mixed beverage permittees shall~~
 25 ~~permittee may purchase their liquor from one or more any ABC stores located~~
 26 ~~within the city that have been store designated by the any local boards for~~
 27 ~~those purchases. board to make sales to mixed beverages permittees.~~ The
 28 remaining gross receipts shall be distributed in accordance with existing law
 29 applicable to those ABC stores, except that after the applicable distributions
 30 have been made pursuant to G.S. 18B-805(b), (c), and (d), the local share of
 31 the mixed beverages surcharge and the guest room cabinet surcharge required
 32 by G.S. 18B-804(b)(8) and (9) shall be distributed one-half to the general fund
 33 of the city where the mixed beverage permittees are located and one-half to
 34 the local ABC boards from whose stores liquor is purchased.

35 (e5) Small Resort Town ABC Elections. – A town may hold a mixed beverage election if
 36 it:

- 37 (1) Was incorporated after 1990 and prior to the effective date of this subsection;
- 38 (2) Has at least 100 residents;
- 39 (3) Is located in a county that borders another state and that has two other
 40 municipalities which have ABC stores; and
- 41 (4) At the time of the election, has corporate boundaries that border or include
 42 land in three counties.

43 Provided, that if a town that qualifies for an election under this subsection approves the sale
 44 of mixed beverages, a mixed beverages permittees-permittee in the town may purchase liquor
 45 from ~~the any~~ ABC store designated by any local ABC board ~~in any other city that has approved~~
 46 ~~the sale of mixed beverages to make sales to mixed beverages permittees.~~

47"

48 **SECTION 2.(b)** G.S. 18B-1007(a) reads as rewritten:

49 "(a) Purchases. – A mixed beverages permittee may purchase spirituous liquor for resale
 50 as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale

1 from a guest room cabinet ~~only~~ at an any ABC store designated by a any local ~~board~~ board to
2 make sales to mixed beverages permittees.
3

4 **PART III. ALLOW RESTAURANTS AND BARS HOLDING MIXED BEVERAGES**
5 **PERMITS TO SELL PRIVATE LABEL LIQUOR**

6 **SECTION 3.(a)** G.S. 18B-1001(10) reads as rewritten:

7 "(10) Mixed Beverages Permit. – A mixed beverages permit authorizes the retail
8 sale of mixed beverages for consumption on the premises. The permit also
9 authorizes a mixed beverages permittee to obtain an antique spirituous liquor
10 permit under subdivision (20) of this section and to use for culinary purposes
11 spirituous liquor lawfully purchased for use in mixed beverages. The permit
12 also authorizes restaurants and bars holding a mixed beverages permit to sell
13 in closed containers and for consumption off the premises spirituous liquor
14 with personalized labeling in accordance with G.S. 18B-1007(f). The permit
15 may be issued for any of the following:

- 16 a. Restaurants.
- 17 b. Hotels.
- 18 c. Private clubs.
- 19 d. Convention centers.
- 20 e. Community theatres.
- 21 f. Nonprofit organizations.
- 22 g. Political organizations.
- 23 h. Sports and entertainment venues.
- 24 i. Private bars.
- 25 j. The holder of a distillery permit authorized under G.S. 18B-1105."

26 **SECTION 3.(b)** G.S. 18B-1007 is amended by adding a new subsection to read:

27 "(f) Resale of Spirituous Liquor with Personalized Labeling. – A restaurant or bar holding
28 a mixed beverages permit may purchase spirituous liquor with personalized labeling for resale in
29 closed containers and for consumption off premises only pursuant to the process set forth in
30 G.S. 18B-800(c1) and subject to the following requirements:

- 31 (1) The label shall be from the distillery who distilled the spirituous liquor.
- 32 (2) A restaurant or bar shall purchase the equivalent of an entire barrel of
33 spirituous liquor under the authority set forth in this subsection and shall not
34 purchase more than the equivalent of three barrels of spiritous liquor per
35 calendar year under the authority set forth in this subsection. For purposes of
36 this subdivision, the term "barrel," when used in connection with spiritous
37 liquor, is a unit of 53 liquid gallons.
- 38 (3) Spirituous liquor sold in a closed container under this subsection shall be sold
39 at the price set in accordance with G.S. 18B-804(b), and the restaurant or bar
40 selling the spirituous liquor shall be responsible for all applicable taxes.
- 41 (4) A restaurant or bar shall remove the mixed beverages tax stamp affixed to any
42 spiritous liquor it sells under the authority set forth in this subsection.
- 43 (5) Notwithstanding any provision of law to the contrary, sales under this
44 subsection may occur between the hours of 9:00 A.M. and 9:00 P.M. on
45 Monday through Saturday of each week, from 12:00 noon to 9:00 P.M. on
46 Sundays, and from 9:00 A.M. to 9:00 P.M. on each of the following holidays
47 that do not fall on a Sunday: New Year's Day, Fourth of July, Labor Day, and
48 Thanksgiving Day."

49 **SECTION 3.(c)** G.S. 18B-804(a) reads as rewritten:

50 "(a) Uniform Price of Spirituous Liquor. – The retail price of spirituous liquor sold in ABC
51 ~~stores and~~ stores, permitted distilleries ~~distilleries,~~ and restaurants and bars under

1 G.S. 18B-1007(f) shall be uniform throughout the State, unless otherwise provided by the ABC
2 law."

3 **SECTION 3.(d)** This section becomes effective July 1, 2023, and applies to sales
4 made on or after that date.

5
6 **PART IV. ELIMINATE PHYSICAL MIXED BEVERAGES TAX STAMP**

7 **SECTION 4.(a)** G.S. 18B-1007, as amended by Section 2(b) and Section 3(b) of this
8 act, reads as rewritten:

9 **"§ 18B-1007. Additional requirements for mixed beverages permittees.**

10 (a) Purchases. – A mixed beverages permittee may purchase spirituous liquor for resale
11 as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale
12 from a guest room cabinet at any ABC store designated by any local board to make sales to mixed
13 beverages permittees.

14 (b) Handling Bottles. – It shall be unlawful for a mixed beverages permittee or the
15 permittee's agent or employee to do any of the following:

- 16 (1) Store any other spirituous liquor with liquor possessed for resale in mixed
17 beverages or from a guest room cabinet.
18 (2) Refill any spirituous liquor container ~~having a mixed beverages tax stamp~~ with
19 any other alcoholic beverage, or add to the contents of such a container any
20 other alcoholic beverage.
21 ~~(3) Transfer from one container to another a mixed beverages tax stamp.~~
22 ~~(4) Possess any container of spirituous liquor not bearing a mixed beverages tax~~
23 ~~stamp, except for containers being brought onto the premises by the host of a~~
24 ~~private function under a special occasion permit.~~

25 (c) Price List. – Each mixed beverages permittee shall have available for its customers
26 the printed prices of the most common or popular mixed beverages offered for sale by the
27 permittee. Violation of this subsection shall not be a criminal offense, but shall be punishable
28 under G.S. 18B-104.

29 (d) Transfer of Mixed Beverages Inventory. – When a temporary mixed beverages permit
30 has been issued to a new permittee for the continuation of a business at the same location, the
31 permittee going out of business may sell existing mixed beverages inventory to the new
32 permittee, and the Commission may request that the local ABC board restamp the inventory with
33 ~~the mixed beverages tax stamp assigned by the local board to the new mixed beverages~~
34 ~~permittee.~~

35 (e) Record Keeping and Audit Requirements. – Each mixed beverages permittee and
36 common carrier vehicle permittee shall maintain full and accurate monthly records of its finances,
37 as follows:

- 38 (1) Monthly records maintained by a permittee shall separately indicate all of the
39 following:
40 a. Amounts expended for the purchase of spirituous liquor from ABC
41 stores and the quantity of spirituous liquor purchased.
42 b. Amounts collected from the sale of mixed beverages and, by brand and
43 container size, the quantity of spirituous liquor sold.
44 c. The quantity of spirituous liquor, by brand and container size, that was
45 not sold but is no longer on the premises due to stated reasons, such as
46 breakage or theft.
47 d. If the permittee is a private club, amounts received in payment of
48 members' dues and amounts received from charges to members and
49 guests of members.

1 e. If the permittee is a guest room cabinet permittee, the amounts
 2 collected from the sale of liquor from guest room cabinets and, by
 3 container size, the quantity of liquor sold from cabinets.

4 f. If the permittee is a restaurant, tour boat, or common carrier vehicle
 5 permittee, amounts collected from the sale of:

6 1. Food and nonalcoholic beverages.

7 2. Items other than food and beverages of all kinds.

8 3. Malt beverages, unfortified wine, and fortified wine.

9 g. If the permittee is a hotel, amounts collected from:

10 1. Furnishing lodging.

11 2. Sale of meals.

12 3. Sale of malt beverages, unfortified wine, and fortified wine.

13 4. All other sources.

14 (2) Records of purchases of spirituous liquor and sales of alcoholic beverages
 15 shall be filed separate and apart from all other records maintained on the
 16 premises.

17 (3) Records, including original invoices for the items in subdivision (1) of this
 18 subsection, shall be maintained on the premises for three years and shall be
 19 open for inspection or audit pursuant to G.S. 18B-502.

20 (4) A permittee shall submit to the Commission for its review reports
 21 summarizing the information required to be maintained by this Rule. These
 22 reports shall be submitted on an annual basis or upon request by the
 23 Commission.

24 (5) As part of any review of records under this subsection, the Commission may
 25 require a permittee to provide a written attestation, under penalty of perjury,
 26 that the permittee paid the mixed beverages surcharge and the guest room
 27 cabinet surcharge required by G.S. 18B-804(b)(8) and (b)(9) for all spirituous
 28 liquor resold in mixed beverages or in guest room cabinets."

29 **SECTION 4.(b)** G.S. 18B-1006.1(b) reads as rewritten:

30 "(b) Notwithstanding subsection (a) of this section, recyclable spirituous liquor containers
 31 may be used for display purposes as provided by the Commission. The permit holder shall notify
 32 the Commission of any such containers to be used for display purposes, ~~and each container used~~
 33 ~~for display purposes shall be stamped with a mixed beverages tax stamp.~~ purposes. When a
 34 container is no longer used for display purposes, the permit holder shall recycle the container as
 35 provided in subsection (a) of this section."

36 **SECTION 4.(c)** The ABC Commission shall not require a physical mixed beverages
 37 tax stamp to be affixed to any container of spirituous liquor or antique spirituous liquor sold to a
 38 mixed beverages or common carrier vehicle permittee. The Commission shall adopt rules to
 39 comply with this section.

40 **SECTION 4.(d)** This section becomes effective December 1, 2023, and applies to
 41 offenses committed on or after that date.

42
 43 **PART V. ALLOW ON-PREMISES ABC PERMIT HOLDERS TO CONDUCT CERTAIN**
 44 **SALES AND ADVERTISING**

45 **SECTION 5.(a)** Article 10 of Chapter 18B of the General Statutes is amended by
 46 adding a new section to read:

47 **"§ 18B-1012. Certain sales and advertising authorized.**

48 (a) The holder of an on-premises malt beverage permit, on-premises unfortified wine
 49 permit, on-premises fortified wine permit, or mixed beverages permit may, for any period of
 50 time:

51 (1) Sell more than one drink to a patron for a single price.

- 1 (2) Establish a single price based upon the required purchase of more than one
2 drink.
- 3 (3) Give away or sell a drink at a price that is different from the usual or
4 established price charged for the drink.
- 5 (b) The holder of an on-premises malt beverage permit, on-premises unfortified wine
6 permit, on-premises fortified wine permit, or mixed beverages permit may advertise the price of
7 malt beverages, unfortified wine, fortified wine, or mixed beverages on outside signage."

8 **SECTION 5.(b)** This section becomes effective July 1, 2023.

9

10 **PART VI. DIRECT THE ABC COMMISSION TO IMPLEMENT A SYSTEM**
11 **ALLOWING PERSONS TO CONDUCT BUSINESS WITH THE COMMISSION**
12 **ELECTRONICALLY**

13 **SECTION 6.(a)** Implementation Date. – By no later than December 31, 2023, the
14 Alcoholic Beverage Control Commission (Commission) shall implement and maintain a system
15 that allows applicants and permittees to conduct business with the Commission electronically.
16 The system required under this section shall, at a minimum, allow for all of the following:

- 17 (1) The submission of applications and other forms required for permits issued by
18 the Commission, including all applications and forms required for renewal
19 and registration under G.S. 18B-903.
- 20 (2) The ability to check the status of any application submitted to the Commission
21 for a permit issued by the Commission.
- 22 (3) The ability to pay any fee or fine owed to the Commission.
- 23 (4) The ability for local Alcoholic Beverage Control boards (local ABC board)
24 and mixed beverages permittees to place orders for spirituous liquor from the
25 State warehouse or the applicable local ABC board.
- 26 (5) The ability to see the inventory of spirituous liquor available for purchase at the
27 State warehouse and at the local ABC boards.

28 **SECTION 6.(b)** Use of Third-Party Entity. – The Commission may contract with a
29 third-party entity with relevant experience to implement and maintain the system required under
30 subsection (a) of this section.

31 **SECTION 6.(c)** Local ABC Board Requirement. – All local ABC boards shall
32 provide the Commission with all information deemed necessary by the Commission to comply
33 with the requirement set forth in subsection (a) of this section. Additionally, upon
34 implementation, all local ABC boards shall utilize the system required under subsection (a) of
35 this section when placing orders for spirituous liquor, for accepting orders of spirituous liquor
36 from mixed beverages permittees, and for conducting other business with the Commission that
37 can be completed through the system.

38 **SECTION 6.(d)** Report. – By no later than October 1, 2023, the Commission shall
39 submit a report to the Joint Legislative Oversight Committee on Justice and Public Safety and
40 the House of Representatives Committee on Alcoholic Beverage Control on its progress in
41 complying with the requirement set forth in subsection (a) of this section.

42

43 **PART VII. DIRECT THE ABC COMMISSION TO AMEND THE DEFINITION OF**
44 **"COOPERATIVE ADVERTISING" ESTABLISHED BY RULE**

45 **SECTION 7.(a)** Definition. – For purposes of this section and its implementation,
46 "Cooperative Advertising Definition" means 14B NCAC 15B .1001 (Definitions).

47 **SECTION 7.(b)** Cooperative Advertising Rule. – Until the effective date of the
48 revised permanent rule that the Alcoholic Beverage Control Commission (Commission) is
49 required to adopt pursuant to subsection (d) of this section, the Commission shall implement the
50 Cooperative Advertising Definition Rule as provided in subsection (c) of this section.

1 **SECTION 7.(c)** Implementation. – Cooperative advertising means any joint effort
2 between permittees occupying a vertical relationship to each other to advertise alcoholic
3 beverages, the retailer's business, or any promotion as defined in 14B NCAC 15C .0701(3).
4 Cooperative advertising, however, shall not be construed to include any of the following:

- 5 (1) Point-of-sale advertising furnished by an industry member.
- 6 (2) Advertisements of off-premises special events authorized under
7 G.S. 18B-1114.1, 18B-1114.5, or 18B-1114.7, or events approved by the
8 Commission pursuant to 14B NCAC 15C .1302.
- 9 (3) Print or electronic advertising of on-premises events that are visible or audible
10 to the permittee's patrons only when on the permittee's premises.
- 11 (4) Unpaid internet-based social media advertisements directed to social media
12 users who have opted to receive content from the permittee, and which
13 advertise any of the following:
 - 14 a. An on-premises brand promotion.
 - 15 b. Malt beverage, wine, or spirituous liquor tastings.
 - 16 c. On behalf of a supplier, the availability of the supplier's products at
17 two or more retail permittees.
 - 18 d. On behalf of a retail permittee, a listing or promotion that allows an
19 individual to determine the availability of a specific product at
20 permitted retailers in a certain geographic area.
 - 21 e. Events at on-premises retail permittees, which advertising includes the
22 logo or trade dress of the retail permittee, supplier, or retail permittee
23 and supplier.

24 **SECTION 7.(d)** Additional Rulemaking Authority. – The Commission shall adopt
25 a rule to amend the Cooperative Advertising Definition Rule consistent with subsection (c) of
26 this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to
27 this section shall be substantively identical to the provisions of subsection (c) of this section.
28 Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of
29 the General Statutes. Rules adopted pursuant to this section shall become effective as provided
30 in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided
31 in G.S. 150B-21.3(b2).

32 **SECTION 7.(e)** Sunset. – This section expires when permanent rules adopted as
33 required by subsection (d) of this section become effective.

34 **SECTION 7.(f)** Effective Date. – This section is effective when it becomes law.

35 36 **PART VIII. DIRECT THE ABC COMMISSION TO IMPLEMENT A CENTRALIZED** 37 **INVENTORY MANAGEMENT SYSTEM**

38 **SECTION 8.(a)** Implementation Date. – By no later than December 31, 2023, the
39 Alcoholic Beverage Control Commission (Commission) shall implement and maintain a
40 centralized inventory management system that allows, at a minimum, for (i) persons to view
41 electronically the inventory of spirituous liquor available for purchase at the State warehouse and
42 at the local Alcoholic Beverage Control boards (local ABC board) and (ii) the ability for local
43 ABC boards and mixed beverages permittees to place orders electronically for spirituous liquor
44 from the State warehouse or the applicable local ABC board.

45 **SECTION 8.(b)** Use of Third-Party Entity. – The Commission may contract with a
46 third-party entity with relevant experience to implement and maintain the system required under
47 subsection (a) of this section.

48 **SECTION 8.(c)** Local ABC Board Requirement. – All local ABC boards shall
49 provide the Commission with all information deemed necessary by the Commission to comply
50 with the requirement set forth in Section 1 of this act. Additionally, upon implementation, all

1 local ABC boards shall utilize the system required under subsection (a) of this section when
2 managing inventory and placing orders for spirituous liquor.

3 **SECTION 8.(d)** Report. – By no later than October 1, 2023, the Commission shall
4 submit a report to the Joint Legislative Oversight Committee on Justice and Public Safety and
5 the House of Representatives Committee on Alcoholic Beverage Control on its progress in
6 complying with the requirement set forth in subsection (a) of this section.

7

8 **PART IX. RULES AND EFFECTIVE DATE**

9 **SECTION 9.(a)** The Alcoholic Beverage Control Commission shall amend its rules
10 consistent with the provisions of this act. The Commission may use the procedure set forth in
11 G.S. 150B-21.1 to amend any rules as required under this act.

12 **SECTION 9.(b)** Except as otherwise provided, this act is effective when it becomes
13 law.