

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

H

1

HOUSE BILL 1534

Short Title: Manufacturer Coupons/Purchasing ABC Products. (Public)

Sponsors: Representative Gibson.

Referred to: Commerce, Small Business and Entrepreneurship, if favorable, Judiciary II.

April 18, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT MANUFACTURER, BOTTLER, AND WHOLESALER
3 REBATES AND COUPONS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Article 10 of Chapter 18B of the General Statutes is amended
6 by adding a new section to read:

7 "**§ 18B-1010. Manufacturer, bottler, and wholesaler rebates and coupons**
8 **prohibited; restricted use of discounts in advertising.**

9 (a) It shall be unlawful for any manufacturer, bottler, or wholesaler of any
10 alcoholic beverages to advertise by means of a coupon or rebate offering a discount off
11 the purchase of a malt beverage or wine.

12 (b) Notwithstanding subsection (a) of this section, a permittee who holds an
13 on-premises or off-premises malt beverage or wine permit under G.S. 18B-1001(1)
14 through (6), or a wine shop permit under G.S. 18B-1001(16), may advertise by means of
15 a coupon, a membership card, a discount card, or a retailer's loyalty card in the
16 following circumstances:

17 (1) The permittee may provide a discount coupon for use by a customer
18 when purchasing a malt beverage or wine sold at the permittee's retail
19 location for off-premises consumption.

20 (2) The permittee may require a customer to use the permittee's
21 membership card, discount card, or loyalty card in order for the
22 customer to receive a discounted price when purchasing a malt
23 beverage or wine sold at the permittee's retail location for off-premises
24 consumption.

25 (3) No discount coupons may be honored for the purchase of an alcoholic
26 beverage for any individual below 21 years old.

27 (4) Advertising for an alcoholic beverage shall not include a coupon
28 offering a free alcoholic beverage.

- 1 (5) A discount coupon may not provide a discount exceeding fifty percent
2 (50%) of the advertised retail price of the item.
- 3 (6) A permittee shall not advertise or distribute discount coupons in a
4 publication produced for or by a higher education institution.
- 5 (7) In any advertisement displaying a discount coupon, the permittee shall
6 include the following statement in close proximity and in a similar font
7 to the discount coupon "Drink Responsibly-Be 21."
- 8 (c) Scope. – This section shall not authorize cooperation between a retailer and
9 an industry member in violation of G.S. 18B-1116.
- 10 (d) A violation of this section is a Class 2 misdemeanor."
- 11 **SECTION 2.** This act becomes effective December 1, 2007, and applies to
12 offenses committed on or after that date.