

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 98*

Short Title: Breweries to Sell Malt Beverages on Premises. (Public)

Sponsors: Representative McGrady (Primary Sponsor).
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Commerce and Job Development.

February 16, 2011

A BILL TO BE ENTITLED

AN ACT TO ALLOW ALCOHOLIC BEVERAGE PERMITTEES WHO HAVE BEEN
ISSUED BREWERY PERMITS TO SELL MALT BEVERAGES BREWED AT THE
BREWERY ON THE PREMISES OF THE BREWERY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-1001(1) reads as rewritten:

"(1) On-Premises Malt Beverage Permit. – An on-premises malt beverage permit authorizes the retail sale of malt beverages for consumption on the premises and the retail sale of malt beverages in the manufacturer's original container for consumption off the premises. It also authorizes the holder of the permit to ship malt beverages in closed containers to individual purchasers inside and outside the State. The permit may be issued for any of the following:

- a. Restaurants;
- b. Hotels;
- c. Eating establishments;
- d. Food businesses;
- e. Retail businesses;
- f. Private clubs;
- g. Convention centers;
- h. Community theatres; theaters;
- i. Breweries as authorized by G.S. 18B-1104(7).

~~The permit may also be issued to certain breweries as authorized by G.S. 18B-1104(7)."~~

SECTION 2. G.S. 18B-1104(7) reads as rewritten:

"§ 18B-1104. Authorization of brewery permit.

The holder of a brewery permit may:

- (1) Manufacture malt beverages;
- (2) Purchase malt, hops and other ingredients used in the manufacture of malt beverages;
- (3) Sell, deliver and ship malt beverages in closed containers to wholesalers licensed under this Chapter as authorized by the ABC laws, except that malt beverages may be sold to exporters and nonresident wholesalers only when the purchase is not for resale in this State;
- (4) Receive malt beverages manufactured by the permittee in some other state for transshipment to dealers in other states;



- 1 (5) Furnish or sell marketable malt beverage products, or packages which do not
- 2 conform to the manufacturer's marketing standards, if State taxes have been
- 3 or will be paid, to its employees for the use of the employees or their
- 4 families and guests in this State;
- 5 ~~(6) Give its products to its employees and guests for consumption on its~~
- 6 ~~premises;~~
- 7 (7) ~~In areas where the sale is legal, sell~~Sell the brewery's malt beverages at the
- 8 brewery upon receiving a permit under G.S. 18B-1001(1). The brewery also
- 9 may obtain a malt beverage wholesaler permit to sell, deliver, and ship at
- 10 wholesale only malt beverages manufactured by the brewery. The
- 11 authorization of this subdivision applies to a brewery that sells, to consumers
- 12 at the brewery, to wholesalers, to retailers, and to exporters, fewer than
- 13 25,000 barrels, as defined in G.S. 81A-9, of malt beverages produced by it
- 14 per year. A brewery not exceeding the sales quantity limitations in this
- 15 subdivision may also sell the malt beverages manufactured by the brewery at
- 16 not more than three other locations in the State upon obtaining the
- 17 appropriate permits under G.S. 18B-1001. A brewery operating any
- 18 additional retail location pursuant to this subdivision shall also offer for sale
- 19 at that location a reasonable selection of competitive malt beverage products.

20 A sale or gift under subdivision (5) ~~or (6)~~ shall not be considered a retail or wholesale sale
 21 under the ABC laws."

22 **SECTION 3.** This act is effective when it becomes law.