

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 921
Apr 10, 2025
HOUSE PRINCIPAL CLERK

H

D

HOUSE BILL DRH10411-MLf-131B

Short Title: ABC & Gaming Omnibus Bill.

(Public)

Sponsors: Representative Pickett.

Referred to:

A BILL TO BE ENTITLED
AN ACT TO MAKE VARIOUS CHANGES TO THE ALCOHOL LAWS OF THIS STATE,
TO REVISE THE LAW GOVERNING GAME NIGHTS, AND TO REMOVE THE
LIMITATIONS ON RAFFLES FOR 50/50 RAFFLES CONDUCTED BY NONPROFIT
ORGANIZATIONS OR GOVERNMENT ENTITIES.

The General Assembly of North Carolina enacts:

**REVISE LAW GOVERNING DISPLAY OF SPIRITUOUS LIQUOR DISTILLED OR
PRODUCED IN NORTH CAROLINA**

SECTION 1. G.S. 18B-800(e) reads as rewritten:

"(e) Each ABC store shall display spirits which are distilled or produced in North Carolina
in an area dedicated solely to North Carolina ~~products.~~products or otherwise in the store so long
as the product is identified as a North Carolina product by a price tag or shelf tag."

CLARIFY LAW AUTHORIZING MOBILE BAR SERVICES PERMIT

SECTION 2. G.S. 18B-1001(12a) reads as rewritten:

"(12a) Mobile Bar Services Permit. – A mobile bar services permit may be issued to
a business that provides bartending services for events. The permit authorizes
the permittee to bring malt beverages, unfortified wine, fortified wine, and
spirituous liquor onto the premises of a business that is not an ABC permittee
and to serve the alcoholic beverages to guests at the event. The permittee may
purchase malt beverages and unfortified wine from either a retailer or a
wholesaler. The permittee may purchase fortified wine from either an ABC
store or a wholesaler. ~~The~~If the permittee serves spirituous liquor, it shall
purchase only be spirituous liquor purchased from an ABC store that is
designated as a mixed beverage ABC store operated by any local board
operating in the same county where the permittee's principal office is located.
The permittee may not serve alcoholic beverages pursuant to a mobile bar
services permit on the premises of any location owned or possessed by the
permittee. The permittee shall notify the Commission, in writing, of the
location of any event where the permittee will serve alcoholic beverages not
less than one week before the event and shall have the permission of the owner
or possessor of the property on which the event is to be held. Any person
serving alcoholic beverages at the event shall be at least 21 years of age.
Alcoholic beverages may be transported by the mobile bar services permit
holder to the premises of the event no earlier than 8:00 A.M. At the conclusion



* D R H 1 0 4 1 1 - M L F - 1 3 1 B *

of the event, all alcoholic beverages must be removed from the premises no later than 12:00 noon of the following day. A limited special occasion permit shall not be required for an event at which alcoholic beverages are exclusively provided by the holder of a mobile bar services permit. The holder of a mobile bar services permit may bring alcoholic beverages onto the premises and serve the alcoholic beverages at an event regardless of whether there is a charge or fee for guests to attend the event. This permit does not allow the retail sale of individual alcoholic beverages to guests at an event."

REPEAL PROHIBITION ON MANUFACTURERS, BOTTLERS, AND WHOLESALERS PROVIDING DRAFT LINE CLEANING SERVICES

SECTION 3. G.S. 18B-1116(a)(4) is repealed.

ALLOW MIXED BEVERAGE PERMITTEES TO PURCHASE SPIRITUOUS LIQUOR FROM ANY DESIGNATED ABC STORE IN THE STATE

SECTION 4.(a) G.S. 18B-404 reads as rewritten:

"§ 18B-404. Additional provisions for purchase and transportation by mixed beverage permittees.

...

(c) **Designated Store.** – A mixed beverage permittee may purchase spirituous liquor from ~~an any ABC store in this State~~ that is designated as a mixed beverage ABC store ~~operated by any local board operating in the same county as the permittee store.~~

...

(f) **Delivery Service.** – A local board shall offer delivery service to mixed beverage permittees. In providing delivery of purchased products to mixed beverage permittees, the local board may use its employees or contract with one or more independent contractors and may charge a fee to the permittee. A local board in a Tier 1 or Tier 2 county, as defined in G.S. 143B-472.35(a2)(18), may request an exemption to this requirement from the ABC Commission. The Commission shall grant the request if the local board can show evidence of unreasonable hardship or difficulty incurred by implementing delivery service."

SECTION 4.(b) This section is effective when it becomes law and applies to spirituous liquor purchased on or after that date.

ALLOW ABC STORES TO OPEN ON SUNDAYS WITH LOCAL GOVERNMENT APPROVAL

SECTION 5.(a) G.S. 18B-802 reads as rewritten:

"§ 18B-802. When stores operate.

(a) **Time.** – No ABC store shall be open, and no ABC store employee shall sell alcoholic beverages, between 9:00 P.M. and 9:00 A.M. On Sundays, where the appointing authority of a local board has authorized Sunday sales, no ABC store shall be open, and no ABC store employee shall sell alcoholic beverages, before the earlier of (i) 10:00 A.M. if the appointing authority has adopted an ordinance pursuant to G.S. 153A-145.7(a) or G.S. 160A-205.3(a), or (ii) 12:00 noon. The local board shall otherwise determine opening and closing hours of its stores.

(b) **Days.** – No ABC store shall be open, and no ABC store employee shall sell alcoholic beverages, on any ~~Sunday~~, Sunday unless authorized by an ordinance adopted pursuant to G.S. 18B-112(b2), 153A-145.7(b), or 160A-205.3(b), Easter, Thanksgiving Day, or Christmas Day. A local board may otherwise determine the days on which its stores shall be closed."

SECTION 5.(b) G.S. 18B-112 is amended by adding a new subsection to read:

"(b2) In accordance with G.S. 18B-802(b), and only if the tribal alcoholic beverage control commission petitions the tribe to do so, the Eastern Band of Cherokee Indians or the Catawba Indian Nation may adopt a tribal ordinance allowing each respective tribal alcoholic beverage

control commission to operate ABC stores on Sundays. If a tribe adopts an ordinance pursuant to this subsection, it shall notify the Commission within seven days of the adoption of the ordinance."

SECTION 5.(c) G.S. 153A-145.7 reads as rewritten:

"§ 153A-145.7. Hours of certain alcohol sales.

(a) In accordance with G.S. 18B-1004(c), a county may adopt an ordinance allowing for the sale of malt beverages, unfortified wine, fortified wine, and mixed beverages beginning at 10:00 A.M. on Sunday pursuant to the licensed premises' permit issued under G.S. 18B-1001.

(b) In accordance with G.S. 18B-802(b), and only if a local ABC board appointed by the board of county commissioners petitions the board of county commissioners to do so, a county may adopt an ordinance allowing the local ABC board to operate ABC stores on Sundays. If a county adopts an ordinance pursuant to this subsection, it shall notify the Commission within seven days of the adoption of the ordinance."

SECTION 5.(d) G.S. 160A-205.3 reads as rewritten:

"§ 160A-205.3. Hours of certain alcohol sales.

(a) In accordance with G.S. 18B-1004(c), a city may adopt an ordinance allowing for the sale of malt beverages, unfortified wine, fortified wine, and mixed beverages beginning at 10:00 A.M. on Sunday pursuant to the licensed premises' permit issued under G.S. 18B-1001.

(b) In accordance with G.S. 18B-802(b), and only if a local ABC board appointed by the governing body of a city petitions the governing body of the city to do so, a city may adopt an ordinance allowing the local ABC board to operate ABC stores on Sundays. For a local ABC board with multiple municipal appointing authorities, the local ABC board may operate ABC stores on Sundays in any municipality that is an appointing authority for the local ABC board and that adopts an ordinance allowing the local board to do so. If a city adopts an ordinance pursuant to this subsection, it shall notify the Commission within seven days of the adoption of the ordinance."

SECTION 5.(e) G.S. 18B-1004(c) reads as rewritten:

"(c) Sunday Hours. – Except as authorized pursuant to G.S. 18B-112(b1), ~~153A-145.7, or 160A-205.3, 153A-145.7(a), or 160A-205.3(a)~~, it shall be unlawful to sell or consume alcoholic beverages on any licensed premises from the time at which sale or consumption must cease on Sunday morning until 12:00 Noon on that day."

ALLOW WHOLESALERS TO DISTRIBUTE PREMIXED COCKTAILS TO MIXED BEVERAGES PERMITTEES

SECTION 6.(a) Chapter 18B of the General Statutes is amended by adding a new Article to read:

"Article 14.

"Premixed Cocktail Franchise Law.

"§ 18B-1400. Purpose.

Pursuant to the authority of the State under the Twenty-First Amendment to the United States Constitution, the General Assembly finds that regulation of the business relations between premixed cocktail manufacturers and importers and the wholesalers of such products is necessary to:

- (1) Maintain stability and healthy competition in the premixed cocktail industry in this State.
- (2) Promote and maintain a sound, stable, and viable three-tier system of distribution of premixed cocktails to the public.
- (3) Promote the compelling interest of the public in fair business relations between premixed cocktail suppliers and wholesalers, and in the continuation of premixed cocktail franchise agreements on a fair basis.

- (4) Maintain a uniform system of control over the sale, purchase, and distribution of premixed cocktails in the State.
- (5) Prevent unfair or unlawful trade practices by enabling wholesalers to refuse to participate in such practices without fear of arbitrary or unlawful retribution from suppliers.
- (6) Provide wholesalers with rights and remedies in addition to those existing by contract or common law.
- (7) Govern all agreements between suppliers and wholesalers, including any renewals or amendments.
- (8) Protect wholesalers against unfair treatment by suppliers.
- (9) Preserve investments made by wholesalers in franchise agreements through minimization of arbitrary termination.
- (10) Promote consumer choice by ensuring an independent wholesale distribution tier that enables wholesalers to distribute competing products of other suppliers.
- (11) Prevent vertical integration of the premixed cocktail market.

"§ 18B-1401. Definitions.

The following definitions apply in this Article:

- (1) Supplier. – A manufacturer, bottler, or importer of premixed cocktails, including anyone who holds a distillery, premixed cocktail importer, or nonresident premixed cocktail vendor permit.
- (2) Wholesaler. – The holder of a premixed cocktail wholesaler permit.

"§ 18B-1402. Franchise agreement.

(a) Nature of Agreement. – A franchise agreement is a commercial relationship between a wholesaler and supplier of a definite or indefinite duration, whether written or oral, including:

- (1) A relationship whereby a wholesaler is granted the right to offer and sell the brands of premixed cocktails offered by the supplier; or
- (2) An agreement whereby a supplier grants to a wholesaler a license to use a trade name, trademark, service mark, or related characteristic and in which there is a community of interest in the marking of the products of the supplier by lease or otherwise.

(b) Existence of Agreement. – A franchise agreement as described in subsection (a) of this section exists when:

- (1) The supplier has shipped malt premixed cocktails to a wholesaler or accepted an order for premixed cocktails from the wholesaler;
- (2) A wholesaler has paid or the supplier has accepted payment for an order of premixed cocktails intended for sale within this State;
- (3) The supplier and wholesaler have filed with the Commission a distribution agreement as required by G.S. 18B-1403; or
- (4) A supplier acquires the right to manufacture a premixed cocktail product, or the trade name for such product, or the right to distribute a product, for which a wholesaler has a franchise agreement.

"§ 18B-1403. Filing of distribution agreement; no discrimination.

(a) Filing. – It is unlawful for a supplier to provide premixed cocktails to a wholesaler unless the Commission has received notification from the supplier designating the brands of the supplier which the wholesaler is authorized to sell and the territory in which such sales may take place. If the supplier sells several brands, the agreement need not apply to all brands. A franchise agreement applies to all supplier products under the same brand name, and different categories of products manufactured under a common identifying trade name are considered to be the same brand. No supplier may provide by a distribution agreement for the distribution of a brand to more than one wholesaler for the same territory. A wholesaler shall not distribute any brand of

1 premixed cocktail to a retailer whose premises are located outside the territory specified in the
2 wholesaler's distribution agreement for that brand, except to a retail permittee's off-site airport
3 storage premises pursuant to G.S. 18B-1011. A wholesaler may, however, with the approval of
4 the Commission, distribute premixed cocktails outside its designated territory during periods of
5 temporary service interruption when requested to do so by the supplier and the wholesaler whose
6 service is interrupted.

7 (b) No Discrimination. – A wholesaler shall service all retail permit holders within the
8 wholesaler's designated territory without discrimination and shall make a good-faith effort to
9 make available to each retail permit holder in the territory each brand of premixed cocktail which
10 the wholesaler has been authorized to distribute in that area. The provisions of this subsection
11 shall not apply to retail permit holder private label brands, which, at the retail permit holder's
12 direction, may be sold either exclusively to the retailer that owns the brand name or to all retail
13 permit holders within each territory without discrimination. For purposes of this subsection, the
14 term "retail permit holder private label brand" means a premixed cocktail product that is labeled
15 with a brand name owned by a retailer.

16 (c) No Price Maintenance. – A franchise agreement shall not, either expressly or by
17 implication or in its operation, establish or maintain the resale price of any brand of premixed
18 cocktails by a wholesaler.

19 **"§ 18B-1404. Prohibitions.**

20 It is unlawful for a supplier, or an officer, agent, or representative of a supplier, to do any of
21 the following:

- 22 (1) Coerce or attempt to coerce or persuade a wholesaler to violate any provision
23 of the ABC laws or rules of the Department of Revenue.
- 24 (2) Alter in a material way, terminate, fail to renew, or cause a wholesaler to
25 resign from a franchise agreement with a wholesaler except for good cause
26 and with the notice required by G.S. 18B-1405.
- 27 (3) Withdraw money from or otherwise access a wholesaler's bank accounts
28 without the wholesaler's consent.
- 29 (4) Present a franchise agreement, amendment, or renewal to a wholesaler that
30 attempts to waive compliance with any provision of this Article or that
31 requires a wholesaler to waive compliance with any provision of this Article.
32 A wholesaler entering into a franchise agreement containing provisions in
33 conflict with this Article shall not be deemed to waive rights protected by, or
34 in compliance with, any provision of this Article.
- 35 (5) Induce or coerce, or attempt to induce or coerce, any wholesaler to assent to
36 any franchise agreement, amendment, or renewal that does not comply with
37 this Article and the laws of this State.
- 38 (6) Coerce or attempt to coerce a wholesaler, or its designated or anticipated
39 successor, to sign a franchise agreement, amendment, or renewal to a
40 franchise agreement by threatening to refuse to approve or delay issuing an
41 approval for the sale, transfer, or merger of a wholesaler's business.
- 42 (7) Terminate, cancel, or nonrenew or attempt to terminate, cancel, or nonrenew
43 a franchise agreement on the basis that the wholesaler fails to agree or consent
44 to an amendment to the franchise agreement.
- 45 (8) Prohibit a wholesaler from distributing the product of any other supplier,
46 except that a supplier may prohibit a wholesaler from distributing the product
47 of another supplier if reasonable grounds exist for prohibiting the wholesaler's
48 acquisition of the product and the acquisition would result in the wholesaler
49 acquiring eighty percent (80%) or more by volume of all premixed cocktail
50 products sold in the territory being acquired at the time of the acquisition.

(9) Refuse to approve or require a wholesaler to terminate a brand manager or successor manager without good cause. A supplier has good cause only if the person designated for approval by the wholesaler fails to meet reasonable standards and qualifications.

(10) Discriminate in price, allowance, rebate, refund, payment term, commission, discount, or service between wholesalers licensed in North Carolina. As used in this subdivision, "discriminate" means the granting of a more favorable price, allowance, rebate, refund, payment term, commission, discount, or service to one North Carolina wholesaler than to another North Carolina wholesaler based on the quantity of premixed cocktails purchased or for any other reason, but "discriminate" shall exclude the granting of more favorable freight and transportation costs, price promotions on premixed cocktail products for special events in a particular market not to exceed 14 consecutive days, point-of-sale advertising materials, sponsorships, consumer specialty items, consumer sweepstakes, and novelties. A supplier may, however, offer a lower price or discount in order to match that of a competing supplier on a similar category of premixed cocktail products in the entire State or in a particular market.

"§ 18B-1405. Cause for termination of franchise agreement.

(a) Meaning of Good Cause. – Good cause for altering or terminating a franchise agreement, or failing to renew or causing a wholesaler to resign from such an agreement, exists when the wholesaler fails to comply with provisions of the agreement which are reasonable, material, not unconscionable, and which are not discriminatory when compared with the provisions imposed, by their terms or in the manner of enforcement, on other similarly situated wholesaler by the supplier. The meaning of good cause set out in this section may not be modified or superseded by provisions in a written franchise agreement prepared by a supplier if those provisions purport to define good cause in a manner different than specified in this section. In any dispute over alteration, termination, failure to renew, or causing a wholesaler to resign from a franchise agreement, the burden is on the supplier to establish that good cause exists for the action.

(b) Notice of Cause. – At least 90 days before altering, terminating, or failing to renew a franchise agreement for good cause, the supplier must give the wholesaler written notice of the intended action and the specific reasons for it. If the cause for the alteration, termination, or failure to renew is subject to correction by the wholesaler, and the wholesaler makes such correction within 45 days of receipt of the notice, the notice shall be void.

(c) Termination for Cause without Advance Notice. – A supplier may terminate or fail to renew a franchise agreement for any of the following reasons and the termination shall be complete upon receipt by the wholesaler of a written notice of the termination and the reason:

(1) Insolvency of the wholesaler, the dissolution or liquidation of the wholesaler, or the filing of any petition by or against the wholesaler under any bankruptcy or receivership law which materially affects the wholesaler's ability to remain in business.

(2) Revocation of the wholesaler's State or federal permit or license for more than 30 days.

(3) Conviction of the wholesaler, or of a partner or individual who owns ten percent (10%) or more of the partnership or stock of the wholesaler, of a felony which might reasonably be expected to adversely affect the goodwill or interest of the wholesaler or supplier. The provisions of this subdivision shall not apply, however, if the wholesaler or its existing partners or stockholders shall have the right to purchase the interest of the offending

- 1 partner or stockholder, and such purchase is completed within 30 days of the
2 conviction.
- 3 (4) Fraudulent conduct by the wholesaler in its dealings with the supplier or its
4 products.
- 5 (5) Failure of the wholesaler to pay for the supplier's products according to the
6 established terms of the supplier.
- 7 (6) Assignment, sale, or transfer of the wholesaler's business or control of the
8 wholesaler without the written consent of the supplier, except as provided in
9 G.S. 18B-1407.
- 10 (d) Absence of Good Cause. – Good cause for alteration, termination, or failure to renew
11 a franchise agreement does not include:
- 12 (1) The failure or refusal of the wholesaler to engage in any trade practice,
13 conduct, or activity which would violate federal or State law.
- 14 (2) The failure or refusal of the wholesaler to take any action which would be
15 contrary to the provisions of this Article.
- 16 (3) A change in the ownership of the supplier or the acquisition by another
17 supplier of the distillery, brand, or trade name or trademark, or acquisition of
18 the right to distribute a product, from the original supplier.
- 19 (4) Sale or transfer of the rights to manufacture, distribute, or use the trade name
20 of the brand to a successor supplier.
- 21 (5) Failure of the wholesaler to meet standards of operation or performance that
22 have been imposed or revised unilaterally by the supplier without a fair
23 opportunity for the individual wholesaler to bargain as to the terms, unless the
24 supplier has implemented the standards on a national basis and those standards
25 are consistently applied to all similarly situated North Carolina wholesalers in
26 a nondiscriminatory manner.
- 27 (6) The establishment of a franchise agreement between a wholesaler and another
28 supplier, or similar acquisition by a wholesaler of the right to distribute a
29 brand of another supplier.
- 30 (7) The desire of a supplier to consolidate its franchises.

31 **"§ 18B-1406. Remedies for wrongful termination.**

32 (a) Injunctive Relief. – A wholesaler whose franchise agreement is altered, terminated,
33 or not renewed in violation of this Article may bring an action to enjoin such unlawful alteration,
34 termination, or failure to renew. The action may be brought in the county in which the wholesaler
35 has its principal place of business or in any county in which the wholesaler receives or distributes
36 the products in issue. Any injunction issued pursuant to this subsection shall require the
37 wholesaler to supply the customers in its territory with their reasonable retail requirements and
38 to otherwise serve the territory.

39 (b) Monetary Damages. – In lieu of injunctive relief, a wholesaler whose franchise
40 agreement is altered, terminated, or not renewed in violation of this Article shall be entitled to
41 recover monetary damages from the supplier. The amount to which the wholesaler is entitled
42 shall be the value of the wholesaler's business distributing the supplier's products, including:

- 43 (1) The laid-in costs to the wholesaler of the inventory of the supplier's products,
44 including any State and local taxes paid on the inventory by the wholesaler,
45 plus a reasonable charge for handling of the products upon surrender of the
46 inventory to the supplier.
- 47 (2) The fair market value of all assets, including ancillary businesses of the
48 wholesaler used in distributing the supplier's products. The total compensation
49 to be paid to the wholesaler shall be reduced, however, by any amount
50 received by the wholesaler from sale of assets of the business used in
51 distributing the supplier's products as well as by the value such assets have to

1 the wholesaler unrelated to the supplier's products. "Fair market value" means
2 the highest dollar amount at which a seller would be willing to sell and a buyer
3 willing to buy at a time prior to the alteration, termination, or failure to renew,
4 when each possesses all information relevant to the transaction.

5 **"§ 18B-1407. Transfer or merger of wholesaler's business."**

6 (a) Right of Transfer to Designated Family Member. – An individual's interest in a
7 wholesaler business, including the rights under the franchise agreement with the supplier, may
8 be transferred or assigned to a designated family member. The transfer or assignment shall not
9 be effective until written notice is given to the supplier, but the supplier's consent is not required
10 for the transfer or assignment. "Designated family member" means the wholesaler's spouse, child,
11 grandchild, parent, brother, sister, niece, or nephew. With respect to an incapacitated individual
12 having an ownership interest in a wholesaler, the term "designated family member" also means
13 the person appointed by the court as the conservator of such individual's property. The term also
14 includes the appointed and qualified personal representative and the testamentary trustee of a
15 deceased wholesaler.

16 (b) Approval of Certain Transfers and Mergers. – Upon notice to and approval by the
17 supplier, an individual owning an interest in a wholesaler may sell, assign, or transfer that
18 interest, including the wholesaler's rights under its franchise agreement with the supplier, to any
19 qualified person. Likewise, a wholesaler may merge with another wholesaler in the State,
20 transferring to the new wholesaler entity the merging wholesaler's existing franchise rights.
21 Within 30 days of receipt of notice of the intended sale, assignment, transfer, or merger, the
22 supplier shall request any additional relevant, material information reasonably necessary for
23 deciding whether to approve the transaction. The supplier shall have 30 days from receipt of that
24 information to object to the sale, assignment, transfer, or merger. The supplier may object only
25 if the proposed transferee, or the wholesalership resulting from the merger, fails to meet
26 qualifications and standards that are nondiscriminatory, material, reasonable, and consistently
27 applied to North Carolina wholesalers by the supplier. The burden shall be upon the supplier to
28 prove that the proposed transferee or merged wholesaler is not qualified. In determining whether
29 the proposed transferee or merged wholesaler is a qualified person, the supplier shall consider,
30 but is not limited to, the following factors:

- 31 (1) Whether the proposed transferee has the financial capacity to purchase the
32 wholesaler or the specified interest upon terms that will not jeopardize the
33 future operation of the business, or whether the new entity resulting from a
34 merger will have such financial capacity to operate successfully, and whether
35 under such ownership the wholesaler will be able to provide financial support
36 necessary to the successful operation of the business, including market
37 spending, capital expenditures, and any equity capitalization or refinancing
38 requirements.
- 39 (2) Whether the proposed transferee, or the new entity resulting from a merger,
40 has the proven business experience to hire and maintain a management team
41 to successfully operate the business.
- 42 (3) If the proposed transferee does not have experience in the premixed cocktail
43 business, whether the transferee has other experience to enable it to operate a
44 distributorship successfully and whether the transferee is willing to participate
45 in training provided by the supplier.
- 46 (4) Whether the proposed transferee, or a party to the merger, already is a
47 wholesaler for the supplier in a different territory and, if so, whether sufficient
48 time and attention can be devoted to an additional market area.

49 In determining whether a proposed transferee, or the entity resulting from a merger, is a
50 qualified person, a supplier must consider the business on its own merits and may not designate
51 a specifically identified person as the only purchaser who will be approved. Nothing in this

subsection is intended to or should be construed to authorize a supplier to match and reassign to a designee the right to purchase the ownership interest, subject to the designee purchasing the ownership interest. Provided, however, a supplier may match and reassign to a designee the right to purchase the ownership interest, subject to the designee purchasing the ownership interest at the price and on the conditions applicable to the purchase proposed by the transferee, if the total annual gross sales of the supplier's premixed cocktails sold by the selling wholesaler total no more than five percent (5%) of the selling wholesaler's total annual gross sales of wine, malt beverages, and premixed cocktails in dollars.

(c) **Damages.** – A supplier who disapproves or prevents a proposed assignment or change of ownership or merger in violation of this section shall be liable to the wholesaler who proposed to make the sale, assignment, transfer, or merger for the difference between the disapproved sale price and a subsequent actual price of a sale of the same assets completed within a reasonable period. If, however, the proposed transfer or sale was to a business associate at a bargain price, the amount of compensation shall be at least the fair market value of the interest proposed to be sold or transferred, minus the proceeds of an actual sale of the interest completed within a reasonable time.

"§ 18B-1408. Article part of all franchise agreements.

The provisions of this Article shall be part of all franchise agreements as defined in G.S. 18B-1402 and may not be altered by the parties. A wholesaler's rights under this Article may not be waived or superseded by the provisions of a written franchise agreement prepared by a supplier that are in any way inconsistent with or contrary to any part of this Article. The rights of a wholesaler under this Article shall remain in effect regardless of a provision in a written franchise agreement prepared by a supplier that purports to require arbitration of a franchise dispute or that purports to require legal remedies to be sought in a different jurisdiction.

"§ 18B-1409. Mediation at direction of Alcoholic Beverage Control Commission.

If a dispute arises between a wholesaler and supplier under this Article, and such dispute appears likely to lead to litigation, the Commission, upon request of any party or on its own initiative, may require the parties to participate in mediation in an effort to resolve the dispute. This authority shall be in addition to the Commission's authority to issue declaratory rulings pursuant to G.S. 150B-4. The Commission may designate the mediator, in which case the Commission shall pay the mediator's fee, or the Commission may direct the parties to agree upon and share the costs of a mediator. If the parties then cannot agree upon a mediator, the Commission shall designate the mediator, and the fees shall be divided evenly by the parties. The Commission shall direct that the mediation be completed within a specified period of time. Except for injunctive relief, no lawsuit or other legal action concerning the dispute may be filed until the mediation is completed and is unsuccessful, unless necessary to avoid expiration of a statute of limitation."

SECTION 6.(b) Article 11 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1109.1. Authorization of premixed cocktail wholesaler permit.

The holder of a spirituous liquor wholesaler permit may do any or all of the following:

- (1) Receive, possess, and transport shipments of premixed cocktails.
- (2) Sell, deliver, and ship, in closed containers and in quantities of one case or container or more, premixed cocktails of any brand filed pursuant to G.S. 18B-1403(a) to wholesalers or mixed beverages permittees licensed under this Chapter, as authorized by the ABC laws.
- (3) Furnish and sell premixed cocktails filed pursuant to G.S. 18B-1403(a) to its employees subject to the rules of the Commission and the Department of Revenue.
- (4) In locations where the sale is legal, furnish premixed cocktails of any brand filed pursuant to G.S. 18B-1403(a) to guests and any other person who does

not hold an ABC permit, for promotional purposes, subject to the rules of the Commission."

SECTION 6.(c) Article 11 of Chapter 18B of the General Statutes is amended by adding a new section to read:

"§ 18B-1113.2. Authorization of nonresident premixed cocktail vendor permit.

The holder of a nonresident premixed cocktail vendor permit may sell, deliver, and ship premixed cocktails in this State only to wholesalers, importers, and bottlers licensed under this Chapter, as authorized by the ABC laws. The premixed cocktails must come to rest at the licensed premises of a premixed cocktail wholesaler in this State before being resold to a mixed beverages permittee licensed under this Chapter. A nonresident premixed cocktail vendor permit may be issued to a liquor importer/bottler or a business outside North Carolina that is licensed or permitted to manufacture premixed cocktails in the jurisdiction where the business is located and whose products are lawfully sold in this State."

SECTION 6.(d) G.S. 18B-1105.1 reads as rewritten:

"§ 18B-1105.1. Authorization of liquor importer/bottler permit.

The holder of a liquor importer/bottler permit may:

...

(5) Receive spirituous liquor in closed containers into the State for storage, sale, shipment, and transshipment to the State warehouse or, subject to the laws of other jurisdictions, to private or public agencies or establishments of other states or nations.

(6) Receive premixed cocktails in closed containers into the State for storage, sale, shipment, and transshipment to premixed cocktail wholesalers for purposes of resale."

SECTION 6.(e) G.S. 18B-1100 reads as rewritten:

"§ 18B-1100. Commercial permits.

The Commission may issue the following commercial permits:

...

(23) Airport central storage permit.

(24) Premixed cocktail wholesaler permit.

(25) Nonresident premixed cocktail vendor permit."

SECTION 6.(f) G.S. 18B-902(d) reads as rewritten:

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

...

(20) Malt beverage importer permit – \$300.00.

(21) Malt beverage wholesaler permit – \$300.00.

(21a) Premixed cocktail wholesaler permit – \$300.00.

...

(25) Nonresident malt beverage vendor permit – \$100.00.

(26) Nonresident wine vendor permit – \$100.00.

(26a) Nonresident premixed cocktail vendor permit – \$100.00.

...."

SECTION 6.(g) G.S. 18B-804 reads as rewritten:

"§ 18B-804. Alcoholic beverage pricing.

...

(b1) Price of Spirituous Liquor Sold at Distillery or Distillery Estate District. – When the holder of a distillery permit sells spirituous liquor distilled at the distillery pursuant to G.S. 18B-1105(a)(4), or an on- or off-premises unfortified wine permittee sells spirituous liquor in a distillery estate district, the retail price of the spirituous liquor shall be the uniform State price set by subsection (a) of this section. However, the holder of the permit shall not be required

to remit the components of the price set forth by subdivisions (2), (3), (5), (6), (6a), (6b), and (7) of subsection (b) of this section.

(b2) Price of Premixed Cocktails from Wholesaler. – When the holder of a mixed beverages permit sells premixed cocktails purchased from a premixed cocktail wholesaler permittee licensed under this Chapter, the retail price of the premixed cocktail shall be the uniform State price set by subsection (a) of this section. However, the holder of the permit shall not be required to remit the components of the price set forth by subdivisions (2), (3), (5), (6), (6a), (6b), and (7) of subsection (b) of this section.

...."

SECTION 6.(h) G.S. 18B-1111(a) reads as rewritten:

"(a) Authorized Acts. – The holder of a salesman permit may sell and transport malt beverages for a malt beverage ~~wholesaler or wholesaler~~, sell and transport unfortified and fortified wine for a wine ~~wholesaler-wholesaler~~, or sell and transport premixed cocktails for a premixed cocktail wholesaler."

SECTION 6.(i) G.S. 18B-1115 reads as rewritten:

"§ 18B-1115. Commercial transportation.

(a) Permit Required. – Unless a person holds a permit which otherwise allows ~~him~~ the person to transport more than 80 liters of malt beverages other than draft malt beverages in kegs, 50 liters of unfortified wine, or eight liters of fortified wine or spirituous liquor, or is a retailer authorized to transport alcoholic beverages under G.S. 18B-405, each person transporting alcoholic beverages in excess of those quantities shall have the permit described in this section.

(b) When Transportation Legal. – No person may obtain a permit under this section to transport spirituous liquor unless the transportation is for delivery to a federal reservation over which North Carolina has ceded jurisdiction to the United States, for delivery to an ABC store, or for transport through this State to another state. This subsection does not apply to premixed cocktails.

...

(e) Transportation of Spirituous Liquor. – In addition to the requirements of subsection ~~(d)~~, (d) of this section, motor vehicle carriers engaged in transporting spirituous liquor shall:

- (1) Deposit with the Commission a surety bond for one thousand dollars (\$1,000) conditioned that the carrier will not unlawfully transport spirituous liquor into or through this State. The bond, which shall be approved by the Commission, shall be payable to the State of North Carolina. If the bonded carrier is convicted of a violation covered by the bond, the proceeds of the forfeited bond shall be paid to the school fund of the county in which the liquor was seized.
- (2) Include in its bill of lading, invoice or other memorandum of shipment the North Carolina code numbers of the spirituous liquor being transported.
- (3) Include in its bill of lading, invoice or other memorandum of shipment the route which the vehicle will follow, and the vehicle shall not vary substantially from that stated route.

This subsection does not apply to premixed cocktails.

(f) Malt Beverages and Wine Transported by Boats. – The owner or operator of any boat may transport malt beverages, unfortified wine and fortified wine over the waters of this State if ~~he~~ the owner or operator satisfies all requirements of subsection ~~(d)~~, (d) of this section.

...."

SECTION 6.(j) G.S. 18B-1110.1(a) reads as rewritten:

"(a) Authorization. – The holder of a packaging and logistics permit may:

- (1) Receive, in closed containers, malt beverages, unfortified wine, fortified wine, and spirituous liquor from a supplier for the purpose of packaging,

1 repackaging, storage, shipping, and for the purpose of labeling or relabeling
2 the outer packaging, such as a box or carton.

3 (2) Package or repackage malt beverages, unfortified wine, fortified wine, and
4 spirituous liquor received from a supplier, and label or relabel the outer
5 packaging.

6 (3) Subject to the record-keeping requirements of G.S. 18B-1115, transport into
7 or out of the State in closed containers the maximum amounts of malt
8 beverages, unfortified wine, fortified wine, and spirituous liquor allowed
9 under federal law, if the transportation is related to the packaging, labeling,
10 sale, or storage permitted by this section.

11 (4) Deliver and ship malt beverages, unfortified wine, ~~and fortified wine~~ wine,
12 and premixed cocktails as provided in this section in closed containers to
13 suppliers and wholesalers licensed under this Chapter.

14 (5) Deliver and ship spirituous liquor as provided in this section in closed
15 containers at wholesale to exporters and local boards within the State.

16 (6) Subject to the laws of other jurisdictions, deliver and ship malt beverages,
17 unfortified wine, fortified wine, and spirituous liquor as provided in this
18 section to out-of-state suppliers or at wholesale or retail to private or public
19 agencies or establishments of other states or nations."

20 **SECTION 6.(k)** G.S. 18B-105(c) reads as rewritten:

21 "(c) A ~~beer or wine~~ beer, wine, or premixed cocktail wholesaler may give, furnish, loan,
22 rent, or sell retailer advertising specialty items and product displays to a retail permittee, so long
23 as the items have not been customized for an individual retail permittee, and provided that the
24 value of the items per brand does not exceed six hundred dollars (\$600.00) per year. For the
25 purposes of this subsection, the following definitions apply:

26 (1) Product displays. – Racks, bins, barrels, casks, shelving, and similar items
27 from which malt beverages, wine, or spirituous liquor are displayed and sold.

28 (2) Retailer advertising specialty items. – Items such as trays, coasters, mats, meal
29 checks, paper napkins, glassware, cups, foam scrapers, back bar mats,
30 thermometers, and other similar items that bear advertising matter."

31 **SECTION 6.(l)** G.S. 18B-112(f) reads as rewritten:

32 "(f) Authority of the North Carolina Alcoholic Beverage Control Commission. – The
33 North Carolina Alcoholic Beverage Control Commission shall have the authority to enter into
34 agreements with the tribal alcoholic beverage control commission to provide for the sale,
35 delivery, and distribution of spirituous liquor to the tribal alcoholic beverage control commission.
36 The Except as otherwise provided in this subsection, the tribal alcoholic beverage control
37 commission shall purchase spirituous liquor for resale by the tribal alcoholic beverage control
38 commission exclusively from the North Carolina Alcoholic Beverage Control Commission at the
39 same price and on the same basis that such spirits are purchased by local boards. The restriction
40 in this subsection as to where spirituous liquor may be purchased does not apply to premixed
41 cocktails sold to mixed beverages permittees by premixed cocktail wholesaler permittees
42 licensed under this Chapter. To the extent there is a conflict between the tribal alcoholic beverage
43 control commission's authority or purpose and the North Carolina Alcoholic Beverage Control
44 Commission's authority or purpose, the North Carolina Alcoholic Beverage Control Commission
45 shall prevail."

46 **SECTION 6.(m)** G.S. 18B-204 is amended by adding a new subsection to read:

47 "(e) Construction. – Nothing in this section shall be construed as prohibiting the receipt,
48 storage, and distribution of premixed cocktails in accordance with Articles 10 and 11 of this
49 Chapter."

50 **SECTION 6.(n)** G.S. 18B-404 reads as rewritten:

"§ 18B-404. Additional provisions for purchase and transportation by mixed beverage permittees.

...

(c) Designated Store. – A mixed beverage permittee may purchase spirituous liquor from an ABC store that is designated as a mixed beverage ABC store operated by any local board operating in the same county as the permittee. Additionally, a mixed beverage permittee may purchase premixed cocktails from a premixed cocktail wholesaler permittee licensed under this Chapter.

...

(f) Delivery Service. – A local board shall offer delivery service to mixed beverage permittees. In providing delivery of purchased products to mixed beverage permittees, the local board may use its employees or contract with one or more independent contractors and may charge a fee to the permittee. A local board in a Tier 1 or Tier 2 county, as defined in G.S. 143B-472.35(a2)(18), may request an exemption to this requirement from the ABC Commission. The Commission shall grant the request if the local board can show evidence of unreasonable hardship or difficulty incurred by implementing delivery service."

SECTION 6.(o) G.S. 18B-603(h) reads as rewritten:

"(h) Permits Based on Existing Permits. – In any county which borders on the Atlantic Ocean and where (i) the sale of malt beverage on and off premises, the sale of unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC system has been allowed in at least six cities in the county, or in any county adjacent to that county in which an ABC system has been allowed, or (ii) the sale of malt beverage on and off premises, the sale of unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC system has been allowed in at least eight cities in the county, the Commission may issue permits to sports clubs as defined in G.S. 18B-1000(8) throughout the county.

The Commission may issue the following permits:

- (1) On and Off Premises Malt Beverage;
- (2) On and Off Premises Unfortified Wine;
- (3) On and Off Premises Fortified Wine; or
- (4) Mixed Beverages.

The Commission may also issue on-premises malt beverage, unfortified wine, fortified wine and mixed beverages permits to a sports club located in a county adjacent to any county that has approved the sale of mixed beverages pursuant to G.S. 18B-603(d1), if the county in which the sports club is located borders another state and has at least one city that has approved the sale of mixed beverages. Sports-Except as otherwise provided in this subsection, sports clubs holding mixed beverages permits shall purchase their spirituous liquor at the nearest ABC system store that is located in the county. Sports clubs holding mixed beverages permits may purchase their premixed cocktails from a premixed cocktail wholesaler permittee licensed under this Chapter.

The Commission may further issue on-premises malt beverage and on-premises unfortified wine permits to a sports club located in a county bordering on another state that is adjacent to any county in which permits were issued pursuant to this subsection prior to August 1, 1993. The sports clubs must be located in the unincorporated areas of a county, in which the sale of malt beverages and unfortified wine is not permitted, and where there are six or more municipalities in that county where the sale of malt beverages and unfortified wine is permitted."

SECTION 6.(p) G.S. 18B-900(a)(2)c. reads as rewritten:

"c. The person is applying for a nonresident malt beverage vendor permit, a nonresident wine vendor permit, a nonresident premixed cocktail vendor permit, a nonresident spirituous liquor vendor permit, or a vendor representative permit."

SECTION 6.(q) G.S. 105-113.68(a)(13) reads as rewritten:

"(13) Wholesaler or importer. – When used with reference to a wholesaler or an importer of wine or malt beverages, the term includes a resident winery and a wine producer that sells its wines, or wine produced for the permittee under contract, at wholesale to a retailer or at retail and a resident brewery that sells its malt beverages, or malt beverages produced for the permittee under contract, at wholesale to a retailer or at retail. This subdivision applies to a person that holds any of the following permits issued by the ABC Commission:

...

h. Wine producer permit under G.S. 18B-1114.3.

i. Premixed cocktail wholesaler permit under G.S. 18B-1109.1."

SECTION 6.(r) G.S. 105-113.79 reads as rewritten:

"§ 105-113.79. City wholesaler license.

A city may require city malt ~~beverage and wine~~ beverage, wine, and premixed cocktail wholesaler licenses for businesses located inside the city, but may not require a license for a business located outside the city, regardless whether that business sells or delivers malt beverages or wine inside the city. The city may charge an annual tax of not more than thirty-seven dollars and fifty cents (\$37.50) for a ~~city malt beverage wholesaler or a city wine wholesaler license.~~ license under this section."

SECTION 6.(s) G.S. 105-113.80(c) reads as rewritten:

"(c) Liquor. – An excise tax of thirty percent (30%) is levied on premixed cocktails and on spirituous liquor and antique spirituous liquor sold in ABC stores, permitted distilleries, and in establishments holding an on- or off-premises unfortified wine permit in a distillery estate district pursuant to G.S. 18B-1006(r). Pursuant to G.S. 18B-804(b), the price of liquor on which this tax is computed is the spirituous liquor or antique spirituous liquor seller's price plus (i) the State ABC warehouse freight and bailment charges and (ii) a markup for local ABC boards, unless otherwise specified by law. Pursuant to G.S. 18B-804(b), the price of premixed cocktails on which this tax is computed is the premixed cocktail seller's price plus a markup for local ABC boards."

SECTION 6.(t) G.S. 105-113.81(a) reads as rewritten:

"(a) Major Disaster. – Wholesalers and importers of malt ~~beverages and wine~~ beverages, wine, and premixed cocktails are not required to remit excise taxes on malt ~~beverages or wine~~ beverages, wine, or premixed cocktails rendered unsalable by a major disaster. To qualify for this exemption, the wholesaler or importer shall prove to the satisfaction of the Secretary that a major disaster occurred. A major disaster is the destruction, spoilage, or rendering unsalable of 50 or more cases, or the equivalent, of malt ~~beverages~~ beverages or premixed cocktails or 25 or more cases, or the equivalent, of wine."

SECTION 6.(u) G.S. 105-113.83(a1) reads as rewritten:

"(a1) Liquor. – ~~The~~ Except as otherwise provided in this subsection, the excise tax on liquor levied under G.S. 105-113.80(c) is payable monthly by the local ABC board and by a distillery. The local ABC board and distillery must file a monthly report, and the report is due on or before the fifteenth day of the month following the month covered by the report. The excise tax on premixed cocktails levied under G.S. 105-113.80(c) is payable by the resident wholesaler or importer who first handles the beverages in this State. The taxes on premixed cocktails are payable only once on the same beverages. The wholesaler or importer must file a monthly report, and the report is due on or before the fifteenth day of the month following the month covered by the report. The report must include the sales records for the month for which the taxes are paid, indicate the amount of excise tax due, and indicate separately any transactions to which the excise tax does not apply."

SECTION 6.(v) G.S. 105-113.83A(a) reads as rewritten:

"(a) Registration Required. – A person who holds a wine shipper permit issued under G.S. 18B-1001.1 or one or more of the following ABC permits issued under Article 11 of Chapter 18B of the General Statutes must register with the Secretary:

...

(12) Nonresident spirituous liquor vendor.

(13) Premixed cocktail wholesaler.

(14) Nonresident premixed cocktail vendor."

SECTION 6.(w) This section becomes effective October 1, 2025, and applies to premixed cocktails sold on or after that date.

INCLUDE WHIPPED CREAM IN THE DEFINITION OF ALCOHOL CONSUMABLE

SECTION 7.(a) G.S. 18B-101(4a) reads as rewritten:

"(4a) "Alcohol consumable" means any manufactured and packaged ice cream, whipped cream, ice pop, gum-based, or gelatin-based food product containing at least one-half of one percent (0.5%) alcohol by volume."

SECTION 7.(b) This section becomes effective December 1, 2025, and applies to offenses committed on or after that date.

PROVIDE MIXED BEVERAGES PERMITTEES WITH PRIOR NOTICE OF APPORTIONED PRODUCT LOTTERY

SECTION 8.(a) G.S. 18B-800 is amended by adding a new subsection to read:

"(c6) Prior Notice of Lottery. – At least 30 days prior to the date it plans to conduct a lottery or other random drawing to sell apportioned products to customers of an ABC store, the local board conducting the lottery or other random drawing shall provide each mixed beverage permittee with written notice of the lottery or other random drawing. The notice required under this subsection may be provided electronically. For purposes of this subsection, the term "apportioned products" means containers of spirituous liquor that are made available to local boards only by random drawings conducted by the Commission."

SECTION 8.(b) This section becomes effective July 1, 2025, and applies to lotteries or other random drawings to sell apportioned products on or after that date.

AUTHORIZE TEMPORARY AND VARIABLE PRICING PROMOTIONS

SECTION 9.(a) G.S. 18B-1005 reads as rewritten:

"§ 18B-1005. Conduct on licensed premises.

...

(c) Variable Pricing. – Notwithstanding any provision of this Chapter to the contrary, an establishment holding an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, mixed beverages permit, or any combination thereof may offer temporary pricing adjustments on alcoholic beverages sold by the establishment subject to all of the following conditions:

(1) The price adjustment shall be applicable for a specified and limited duration of time within a single business day.

(2) All pricing adjustments shall be publicly posted within the licensed premises and shall be made available to the Commission upon request.

(3) Pricing adjustments shall comply with all applicable State and federal laws, rules, and regulations concerning the responsible service of alcohol.

(4) Advertising of the price and type of alcoholic beverages is allowed through either or both of the following:

a. On outside signage located on the permittee's premises.

b. Via newspapers, radio, television, and other mass media."

1 **SECTION 9.(b)** This section becomes effective October 1, 2025, and applies to
2 alcoholic beverages sold on or after that date.

3
4 **CLARIFY PERMISSION TO TAKE MIXED BEVERAGES ONTO PERMITTED**
5 **PREMISES IN A SOCIAL DISTRICT**

6 **SECTION 10.** G.S. 18B-300.1(f) reads as rewritten:

7 "(f) Limitations on Open Containers. – Except where otherwise allowed by local
8 ordinance, the possession and consumption of an open container of an alcoholic beverage in a
9 social district is subject to all of the following requirements:

10 ...

- 11 (6) Notwithstanding G.S. 18B-300 and G.S. 18B-301, a permittee or
12 non-permittee business may allow a customer to possess and consume on the
13 business's premises alcoholic beverages purchased from a permittee in the
14 social district. A permittee business that is not permitted to sell mixed
15 beverages may allow a customer to possess and consume on the business's
16 premises mixed beverages purchased from a mixed beverages permittee in the
17 social district."

18
19 **CLARIFY WHEN SPECIAL ONE-TIME PERMITS ARE REQUIRED FOR**
20 **NONPROFIT ORGANIZATIONS**

21 **SECTION 11.** G.S. 18B-1002(a) reads as rewritten:

22 "(a) Kinds of Permits. – In addition to the other permits authorized by this Chapter, the
23 Commission may issue permits for the following activities:

24 ...

- 25 (2) A permit may be issued to a nonprofit organization to allow the retail sale of
26 malt beverages, unfortified wine, fortified wine, or mixed beverages, or to
27 allow brown-bagging, at a single fund-raising event of that organization. A
28 permit for this purpose shall not be issued for the sale of any kind of alcoholic
29 beverage in a jurisdiction where the sale of that alcoholic beverage is not
30 lawful. A permit is not required under this subdivision for a ticketed event
31 conducted by a nonprofit organization on premises permitted under
32 G.S. 18B-1001(1), 18B-1001(2), 18B-1001(3), 18B-1001(4), 18B-1001(5),
33 18B-1001(6), or 18B-1001(10) if the wine, malt beverages, and spirituous
34 liquor sold at the event are sold by the retail permittee from the retail
35 permittee's inventory.

36 ...

- 37 (5) A permit may be issued to a unit of local government, or to a nonprofit
38 organization or a political organization to serve wine, malt beverages, and
39 spirituous liquor at a ticketed event held to allow the unit of local government
40 or organization to raise funds. A permit is not required under this subdivision
41 for a ticketed event conducted by a nonprofit organization on the premises
42 holding a permit under G.S. 18B-1001(1), 18B-1001(2), 18B-1001(3),
43 18B-1001(4), 18B-1001(5), 18B-1001(6), or 18B-1001(10) if the wine, malt
44 beverages, and spirituous liquor served at the event are served by the retail
45 permittee from the retail permittee's inventory. For purposes of this
46 subdivision "nonprofit organization" means an organization that is exempt
47 from taxation under Section 501(c)(3), 501(c)(4), 501(c)(6), 501(c)(8),
48 501(c)(10), 501(c)(19), or 501(d) of the Internal Revenue Code or is exempt
49 under similar provisions of the General Statutes as a bona fide nonprofit
50 charitable, civic, religious, fraternal, patriotic, or veterans' organization or as
51 a nonprofit volunteer fire department, or as a nonprofit volunteer rescue squad

or a bona fide homeowners' or property owners' association. For purposes of this subdivision "political organization" means an organization covered by the provisions of G.S. 163-96(a)(1) or (2) or a campaign organization established by or for a person who is a candidate who has filed a notice of candidacy, paid the filing fees or filed the required petition, and been certified as a candidate. The issuance of this permit shall also allow the use for culinary purposes of spirituous liquor lawfully purchased for use in mixed beverages. The issuance of this permit shall also allow a nonprofit organization to offer alcoholic beverages in the manufacturer's original closed container as a prize in a raffle or sell alcoholic beverages in the manufacturer's original closed container at auction at the ticketed event to allow the nonprofit organization to raise funds."

REVISE REQUIREMENTS FOR RECEIVING A TEMPORARY PERMIT

SECTION 12.(a) G.S. 18B-905 reads as rewritten:

"§ 18B-905. Temporary permits.

When an application has been received in proper form, with the required application fee, the Commission may issue a temporary permit for any of the activities for which permits are authorized under G.S. 18B-1001 and 18B-1100. If the person has applied to the applicable local government for the Inspection/Zoning Compliance and Local Government Opinion forms required for the application but has not received approvals or denials from the local government, the applicant may submit a sworn affidavit with the application stating that the person has applied to the local government for the Inspection/Zoning Compliance and Local Government Opinion approvals in lieu of those approvals. The person shall send the local government approvals or denials to the Commission within three business days of receiving the approvals or denials. A temporary permit may be revoked summarily by the Commission without complying with the provisions of Chapter 150B. Revocation of a temporary permit or withdrawal by the Commission of a pending application by a permittee possessing a temporary permit shall be effective upon service of the notice of revocation or withdrawal upon the permittee at either the permittee's residence or the address given for the business in the permit application or upon the expiration of five business days after the notice of the revocation or withdrawal has been mailed to the permittee at either the permittee's residence or the address given for the business in the permit application. No further notice shall be required."

SECTION 12.(b) This section becomes effective October 1, 2025, and applies to applications received on or after that date.

REVISE LAW REGULATING THE SALE AND DELIVERY OF MORE THAN ONE DRINK AT A TIME TO A SINGLE PATRON

SECTION 13.(a) G.S. 18B-1010(a) reads as rewritten:

"(a) ~~Except as otherwise provided in this section, the~~ The holder of an on-premises malt beverage permit, on-premises unfortified wine permit, on-premises fortified wine permit, or mixed beverages permit issued under G.S. 18B-1001 may sell and deliver not more than two alcoholic beverage drinks at one time to a single ~~patron with the following limitations: patron.~~

(1) ~~Not more than two alcoholic beverage drinks at one time if the alcoholic beverage drinks are any of the following:~~

a. ~~A malt beverage.~~

b. ~~Unfortified wine.~~

c. ~~Fortified wine.~~

(2) ~~Not more than one alcoholic beverage at one time if an alcoholic beverage drink is a mixed beverage or contains spirituous liquor."~~

1 **SECTION 13.(b)** This section becomes effective October 1, 2025, and applies to
2 alcoholic beverages sold on or after that date.

3
4 **REVISE LAW GOVERNING POSSESSION AND CONSUMPTION OF FORTIFIED**
5 **WINE AND SPIRITUOUS LIQUOR WITHOUT AN ABC PERMIT**

6 **SECTION 14.(a)** G.S. 18B-301(b) reads as rewritten:

7 "(b) Possession on Other Property. – It shall be lawful, without an ABC permit, for a
8 person to possess for his personal use and the use of his guests not more than eight liters of
9 fortified wine or spirituous liquor, or eight liters of the two combined, at any of the following
10 places:

11 (1) The residence of any other person with that person's ~~consent~~; consent.

12 (2) ~~Any other property not primarily used for commercial purposes and not open~~
13 ~~to the public at the time the alcoholic beverage is possessed, if the owner or~~
14 ~~other person in charge of the property consents to that possession and~~
15 ~~consumption;~~

16 (3) An establishment with a brown-bagging permit as defined in
17 G.S. 18B-1001(7)."

18 **SECTION 14.(b)** This section becomes effective October 1, 2025, and applies to
19 fortified wine and spirituous liquor possessed and consumed on or after that date.

20
21 **REVISE LAW GOVERNING GAME NIGHTS**

22 **SECTION 15.(a)** G.S. 14-309.28 reads as rewritten:

23 **"§ 14-309.28. Limits on game night events.**

24 The following limitations apply to game night events:

25 (1) The number of game night events conducted or sponsored by an exempt
26 organization shall be limited to ~~four~~ 24 events per year.

27 ...

28 (5) A qualified facility ~~authorized to host a game night under this Part~~ shall not
29 host more than ~~two~~ 24 game nights in any calendar ~~month~~ year."

30 **SECTION 15.(b)** This section becomes effective October 1, 2025, and applies to
31 game nights conducted on or after that date.

32
33 **REVISE LAW GOVERNING RAFFLES**

34 **SECTION 16.(a)** G.S. 14-309.15 reads as rewritten:

35 **"§ 14-309.15. Raffles.**

36 (a) It is lawful for any nonprofit organization, candidate, political committee, or any
37 government entity within the State, to conduct raffles in accordance with this section. Each
38 regional or county chapter of a nonprofit organization is eligible to conduct raffles in accordance
39 with this section independently of its parent organization. Any person who conducts a raffle in
40 violation of any provision of this section is guilty of a Class 2 misdemeanor. Upon conviction
41 that person shall not conduct a raffle for a period of one year. It is lawful to participate in a raffle
42 conducted pursuant to this section. It is not a violation of State law to advertise a raffle conducted
43 in accordance with this section. A raffle conducted pursuant to this section is not "gambling."
44 ~~For the purpose of this section, "candidate" and "political committee" have the meaning provided~~
45 ~~by Article 22A of Chapter 163 of the General Statutes, who have filed organization reports under~~
46 ~~that Article, and who are in good standing with the appropriate board of elections. Receipts and~~
47 ~~expenditures of a raffle by a candidate or political committee shall be reported in accordance~~
48 ~~with Article 22A of Chapter 163 of the General Statutes, and ticket purchases are contributions~~
49 ~~within the meaning of that Article.~~

50 (b) ~~For purposes of this section "raffle" means a~~ The following definitions apply in this
51 section:

- (1) 50/50 raffle. – A raffle conducted by a nonprofit organization or any government entity within the State whereby funds collected by sale of raffle tickets are split evenly between the prize winner or winners and the nonprofit organization or government entity after the raffle drawing.
- (2) Candidate. – As defined in Article 22A of Chapter 163 of the General Statutes. This term only includes candidates who have filed organization reports under that Article and who are in good standing with the appropriate board of elections.
- (3) Net proceeds of a raffle. – The receipts less the cost of prizes awarded.
- (4) Political committee. – As defined in Article 22A of Chapter 163 of the General Statutes. This term only includes political committees that have filed organization reports under that Article and that are in good standing with the appropriate board of elections.
- (5) Raffle. – A game in which the prize is won by random drawing of the name or number of one or more persons purchasing chances.
- (c) A nonprofit organization may hold no more than five raffles per year.
- (d) Except as provided in subsection (g) of this section, the maximum cash prize that may be offered or paid for any one raffle is one hundred twenty-five thousand dollars (\$125,000) and if merchandise is used as a prize, and it is not redeemable for cash, the maximum fair market value of that prize may be one hundred twenty-five thousand dollars (\$125,000). The total cash prizes offered or paid by any nonprofit organization shall not exceed two hundred fifty thousand dollars (\$250,000) in any calendar year. The total fair market value of all prizes offered by any nonprofit organization, either in cash or in merchandise that is not redeemable for cash, shall not exceed two hundred fifty thousand dollars (\$250,000) in any calendar year.
- (e) Raffles shall not be conducted in conjunction with bingo.
- (f) ~~As used in this subsection, "net proceeds of a raffle" means the receipts less the cost of prizes awarded.~~ No less than ninety percent (90%) of the net proceeds of a raffle shall be used by the nonprofit organization for charitable, religious, educational, civic, or other nonprofit purposes. None of the net proceeds of the raffle shall be used to pay any person to conduct the raffle, or to rent a building where the tickets are received or sold or the drawing is conducted.
- (g) Real property may be offered as a prize in a raffle. Any nonprofit organization offering real property as a prize in a raffle shall provide the property free from all liens, provide an owner affidavit and indemnity agreement, and provide a title commitment for the property and shall make that commitment available for inspection upon request. The total appraised value of all real estate prizes offered by any nonprofit organization shall not exceed two million two hundred fifty thousand dollars (\$2,250,000) in any calendar year.
- (h) Notwithstanding any other subsection of this section, it is lawful for a federally insured depository institution to conduct a savings promotion raffle under G.S. 53C-6-20, 54-109.64, 54B-140, or 54C-180.
- (i) The restrictions set forth in subsections (c) through (g) of this section do not apply to 50/50 raffles conducted by nonprofit organizations or government entities within the State."

SECTION 16.(b) This section becomes effective December 1, 2025, and applies to offenses committed on or after that date.

SEVERABILITY CLAUSE AND EFFECTIVE DATE

SECTION 17.(a) If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application and, to this end, the provisions of this act are declared to be severable.

SECTION 17.(b) Except as otherwise provided, this act is effective when it becomes law.