

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 747
HOUSE BILL 1220

AN ACT TO AMEND THE LIQUOR TAXATION STATUTES TO CONFORM TO THE REVISION OF THE ALCOHOLIC BEVERAGE CONTROL LAWS ENACTED BY CHAPTER 412 OF THE 1981 SESSION LAWS, AND TO MAKE TECHNICAL AND CLARIFYING CHANGES TO CHAPTER 412.

The General Assembly of North Carolina enacts:

Section 1. Article 2C of Chapter 105 of the General Statutes is amended by changing the title of the Article to: "Schedule B-C. Alcoholic Beverages Tax."

Sec. 2. G.S. 105-113.68 is rewritten to read:

"§ 105-113.68. Definitions. — (a) As used in this Article:

- (1) 'Alcoholic beverage' means any beverage containing at least one-half of one percent (0.5%) alcohol by volume, including malt beverages, unfortified wine, fortified wine, spirituous liquor, and mixed beverages.
- (2) 'Fortified wine' means any wine made by fermentation from grapes, fruits, berries, rice, or honey, to which nothing has been added other than pure brandy made from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine, and which has an alcoholic content of not more than twenty-four percent (24%) alcohol by volume.
- (3) 'License' means a written or printed certificate issued pursuant to this Article by the Secretary of Revenue or by a city or county, which allows a person to engage in some phase of the alcoholic beverage industry.
- (4) 'Malt beverage' means beer, lager, malt liquor, ale, porter, and any other brewed or fermented beverage containing at least one-half of one percent (0.5%) and not more than six percent (6%) alcohol by volume.
- (5) 'Person' means an individual, firm, partnership, association, corporation, other organization or group, or other combination of individuals acting as a unit.
- (6) 'Sale' means any transfer, trade, exchange, or barter, in any manner or by any means, for consideration.
- (7) 'Spirituous liquor' or 'liquor' means distilled spirits or ethyl alcohol, including spirits of wine, whiskey, rum, brandy, gin and all other distilled spirits and mixtures of cordials, liqueur, and premixed cocktails, in closed containers for beverage use regardless of their dilution.
- (8) 'Unfortified wine' means wine that has an alcoholic content produced only by natural fermentation or by the addition of pure cane, beet, or dextrose sugar, and that has an alcoholic content of not less than six percent (6%) and not more than seventeen percent (17%) alcohol by volume.

(b) All alcoholic beverages shall be taxed as provided in this Article whether or not meeting all criteria of the definitions in subsection (a).

(c) All references in this Article to permits are to the ABC permits provided for and defined in Articles 9, 10 and 11 of Chapter 18B."

Sec. 3. G.S. 105-113.69 is rewritten to read:

"§ 105-113.69. Requirements, effect of revenue license. — (a) A license required by this Article is a license for the same activity that is authorized by the equivalent ABC permit. No license may be issued under this Article until the applicant has received from the Alcoholic Beverage Control Commission the applicable ABC permit for that activity. The qualifications for a revenue license are the same as for the equivalent ABC permit. Each person receiving an ABC permit must apply for and pay the fee for the equivalent license or licenses under this Article. Upon proper application and payment of the prescribed fee, issuance of a revenue license is mandatory if the applicant has received and remains presently qualified for the equivalent ABC permit.

(b) Unless otherwise stated, all revenue licenses are annual licenses for the period from May 1 to April 30.

(c) Neither the State nor any local government may require any revenue license for activities related to the manufacture or sale of alcoholic beverages other than the licenses stated in this Article.

(d) Failure to secure a license required by this Article is a misdemeanor."

Sec. 4. G.S. 105-113.70 is rewritten to read:

"§ 105-113.70. State brewery and unfortified winery licenses. — (a) Each person holding a brewery permit must secure from the Secretary of Revenue a State brewery license. The annual fee for this license is five hundred dollars (\$500.00).

(b) The holder of a State brewery license may sell, deliver and ship malt beverages only to wholesalers licensed under this Article, except that malt beverages may be sold to nonresident wholesalers when the purchase is not for resale in this State.

(c) Each person holding an unfortified winery permit must secure from the Secretary of Revenue a State unfortified winery license. The annual fee for this license is one hundred dollars (\$100.00).

(d) The holder of a State unfortified winery license may sell, deliver and ship unfortified wine only to wholesalers licensed under this Article, except that wine may be sold to nonresident wholesalers when the purchase is not for resale in this State. The holder of a State unfortified winery license may also ship his wine to individual purchasers inside and outside this State.

(e) No State license is required for an individual who makes native wines and malt beverages for his own use and the use of his family and guests as provided in G.S. 18B-306. Native wines are wines made principally from honey, grapes, or other fruit or grain grown in this State, or from wine kits containing honey, grapes, or other fruit or grain concentrates, and which have only that alcoholic content produced by natural fermentation."

Sec. 5. G.S. 105-113.71 is rewritten to read:

"§ 105-113.71. State bottler license. — Each person holding a bottler permit must secure from the Secretary of Revenue a State bottler license. The annual fee for this license is two hundred fifty dollars (\$250.00). The holder of a bottler license may sell, ship and deliver malt beverages, unfortified wine and fortified wine only to wholesalers licensed under this Article."

Sec. 6. G.S. 105-113.72 is rewritten to read:

"§ 105-113.72. State fortified winery and distillery licenses. — (a) Each person holding a fortified winery permit must secure from the Secretary of Revenue a State fortified winery license. The annual fee for this license is one hundred dollars (\$100.00).

(b) The holder of a State fortified winery license may sell, deliver and ship fortified wine only to wholesalers licensed under this Article, except that wine may be sold to nonresident wholesalers when the purchase is not for resale in this State. The holder of a State fortified winery license may also ship his wine to individual purchasers inside and outside this State.

(c) Each person holding a distillery permit must secure from the Secretary of Revenue a State distillery license. The annual fee for this license is one hundred dollars (\$100.00).

(d) Each person holding a fuel alcohol permit must secure from the Secretary of Revenue a State fuel alcohol license. The annual fee for this license is ten dollars (\$10.00)."

Sec. 7. G.S. 105-113.73 is rewritten to read:

"§ 105-113.73. Malt beverage and wine wholesaler licenses. — (a) Each person holding a malt beverage wholesaler permit must secure from the Secretary of Revenue a State malt beverages wholesaler license. The annual fee for this license is one hundred fifty dollars (\$150.00).

(b) Each person holding a wine wholesaler permit must secure from the Secretary of Revenue a State wine wholesaler license. The annual fee for this license is one hundred fifty dollars (\$150.00).

(c) The total annual fee for a person who secures both a State malt beverage wholesaler and State wine wholesaler license for the same business for the same year is two hundred fifty dollars (\$250.00).

(d) The holder of a wholesaler license may sell, deliver, and ship his products only to wholesalers and retailers licensed under this Article, except that sales may also be made to his employees as provided in G.S. 18B-1107(3) and 18B-1109(a)(3). A malt beverage wholesaler may not sell to wholesalers and retailers less than one case or container at a time.

(e) A wholesaler who maintains more than one place of business or storage warehouse from which orders are received or beverages are distributed must secure a separate State license for each of those places.

(f) A city may require city malt beverage and wine wholesaler licenses for businesses located in the city, but may not require a license for a business located outside the city to sell or deliver inside the city. The annual fee for a city license may not be more than twenty-five percent (25%) of the annual fee for the equivalent State license."

Sec. 8. G.S. 105-113.74 is repealed.

Sec. 9. G.S. 105-113.75 is rewritten to read:

"§ 105-113.75. Sales on railroad trains. — Each person operating a railroad train in this State on which malt beverages or unfortified wine are sold must secure from the Secretary of Revenue a State railroad sales license. The annual fee for this license is one hundred dollars (\$100.00) for each railroad system over which cars are operated in this State. Each person required to secure a license under this section shall report to the Secretary of Revenue by the fifteenth day of each calendar month the sales for the previous month and the payment of the tax on those sales at the rate levied in this Article."

Sec. 10. G.S. 105-113.76 is rewritten to read:

"§ 105-113.76. State salesman license. — Each person holding a salesman permit or a vendor representative permit must secure from the Secretary of Revenue a State salesman's license. A license may be issued only upon recommendation of the vendor whom the salesman or representative represents. The annual fee for this license is twelve dollars and fifty cents (\$12.50). A person who holds more than one vendor representative permit is required to obtain only one State salesman license."

Sec. 11. G.S. 105-113.77 and 105-113.78 are repealed.

Sec. 12. G.S. 105-113.79 is rewritten to read:

"§ 105-113.79. City malt beverage and unfortified wine retail licenses. — (a) Each person holding any of the following ABC permits for an establishment located within a city must secure from the city a city license for that activity, with the annual fee for each license indicated next to the kind of license:

- (1) on-premises malt beverage – \$15.00;
- (2) off-premises malt beverage – \$5.00;
- (3) on-premises unfortified wine – \$15.00;
- (4) off-premises unfortified wine – \$10.00.

(b) The annual license fee stated in subsection (a) is the fee for the first license issued to a person. The fee for each additional license issued to that person for the same year is ten percent (10%) of the base license fee, that increase to apply progressively for each additional license."

Sec. 13. G.S. 105-113.80 is rewritten to read:

"§ 105-113.80. Application for city malt beverage or wine license. — Each person seeking a city malt beverage or wine license must complete and submit an application on a form prescribed by the city. The information required to be provided in the application shall be the same as required by the Alcoholic Beverage Control Commission for the equivalent permit."

Sec. 14. G.S. 105-113.81 is rewritten to read:

"§ 105-113.81. County malt beverage and unfortified wine licenses. — (a) Each person holding any of the following ABC permits must secure from the county in which the establishment is located a county license for that activity, with the annual fee for each license indicated next to the kind of license:

- (1) on-premises malt beverage – \$25.00;
- (2) off-premises malt beverage – \$5.00;
- (3) on-premises unfortified wine – \$25.00;
- (4) off-premises unfortified wine – \$25.00.

(b) Each person seeking a county license under this section or under G.S. 105-113.85 must complete and submit an application on a form prescribed by the county. The information required to be provided in the application shall be the same as required by the Alcoholic Beverage Control Commission for the equivalent permit. If the establishment for which the license is sought is located within a city, the application to the county must show that the equivalent city license has been issued. Issuance of the equivalent license by the city determines the right of the applicant to the county license upon compliance with the requirements of this Article."

Sec. 15. G.S. 105-113.82 is rewritten to read:

"§ 105-113.82. Issuance of local licenses mandatory. — (a) Except as provided in subsection (b), issuance of the city and county licenses provided in G.S. 105-113.73(f) 105-113.79, 105-113.81, and 105-113.85 is mandatory when the applicant has complied with the requirements of Chapter 18B and this Article. The governing board of a city or county may, however, refuse to issue a license if it finds that the applicant in the preceding year has committed any act or permitted any activity that would be grounds for suspension or revocation of his permit under G.S. 18B-104. Before denying the license, the governing board must give the applicant an opportunity to appear at a hearing before the board and to offer evidence. The applicant must be given at least 10 days' notice of the hearing. At the conclusion of the hearing the board must make written findings of fact based on the evidence at the hearing. The applicant may appeal the denial of a license to the superior court for that county, if notice of appeal is given within 10 days of the denial.

(b) The governing bodies of the following counties and cities in their discretion may decline to issue on-premises unfortified wine licenses: the counties of Alamance, Alexander, Ashe, Avery, Chatham, Clay, Duplin, Granville, Greene, Haywood, Jackson, Macon, Madison, McDowell, Montgomery, Nash, Pender, Randolph, Robeson, Sampson, Transylvania, Vance, Watauga, Wilkes, Yadkin; any city within any of those counties; and the cities of Greensboro, Aulander, Pink Hill, and Zebulon."

Sec. 16. G.S. 105-113.83 is rewritten to read:

"§ 105-113.83. State unfortified wine retail licenses. — (a) Each person holding an on-premises unfortified wine permit must secure from the Secretary of Revenue a State on-premises unfortified wine license. The annual fee for this license is twenty-five dollars (\$25.00).

(b) Each person holding an off-premises unfortified wine permit must secure from the Secretary of Revenue a State off-premises unfortified wine license. The annual fee for this license is twenty dollars (\$20.00).

(c) The holder of a license under this section may purchase unfortified wine only from a wholesaler or importer maintaining a place of business in this State and licensed under this Article."

Sec. 17. G.S. 105-113.84 is rewritten to read:

"§ 105-113.84. **State malt beverage retail licenses.** — (a) Each person holding either an on-premises or off-premises malt beverage permit must secure from the Secretary of Revenue a State retail malt beverage license. The annual fee for this license is twenty dollars (\$20.00).

(b) The holder of a license under this section may purchase malt beverages only from a wholesaler or importer maintaining a place of business in this State and licensed under this Article."

Sec. 18. G.S. 105-113.85 is rewritten to read:

"§ 105-113.85. **Fortified wine retail licenses.** — (a) Each person holding an on-premises fortified wine permit must secure from the Secretary of Revenue a State on-premises fortified wine license. The person also must secure from the county in which the establishment is located a county on-premises fortified wine license and, if the establishment is located within a city, must secure from the city a city on-premises fortified wine license. The annual fee for the license is twenty-five dollars (\$25.00) for the State license, twenty-five dollars (\$25.00) for the county license, and fifteen dollars (\$15.00) for the city license, except as provided in subsection (c).

(b) Each person holding an off-premises fortified wine permit must secure from the Secretary of Revenue a State off-premises fortified wine license. The person also must secure from the county in which the establishment is located a county off-premises fortified wine license and, if the establishment is located within a city, must secure from the city a city off-premises fortified wine license. The annual fee for the license is twenty dollars (\$20.00) for the State license, twenty-five dollars (\$25.00) for the county license, and ten dollars (\$10.00) for the city license, except as provided in subsection (c).

(c) A person receiving State and local licenses under this section who also receives for the same business for the same year unfortified wine licenses for the same type of sales is required to pay only the fee for the unfortified wine licenses and may not be charged additional fees for the fortified wine licenses.

(d) The holder of a license under this section may purchase fortified wine only from a wholesaler or importer maintaining a place of business in this State and licensed under this Article."

Sec. 19. G.S. 105-113.86(l) is amended by deleting the words "intoxicating liquors" and substituting "alcoholic beverages".

Sec. 20. G.S. 105-113.86 is further amended by deleting subsections (q), (r), (s), (t), and (u).

Sec. 21. G.S. 105-113.88 is amended in the second sentence by deleting the phrase "one thousand dollars (\$1,000)" and substituting "five thousand dollars (\$5,000)", and is amended in the last sentence by placing a period after the word "thereof" and deleting the remainder of that sentence.

Sec. 22. G.S. 105-113.89 is rewritten to read:

"§ 105-113.89. **State nonresident vendor license.** — (a) Each person holding a nonresident malt beverage or wine vendor permit must secure from the Secretary of Revenue a State nonresident vendor license. The annual fee for this license is one hundred fifty dollars (\$150.00), unless the vendor sells less than 500 cases of alcoholic beverages in North Carolina during the year, in which case the annual fee is twenty-five dollars (\$25.00). A vendor who

pays the lower annual fee must pay the one hundred twenty-five dollar (\$125.00) difference between that and the higher fee once his sales reach 500 cases.

(b) The holder of a nonresident vendor license may sell, deliver and ship his product in this State only to wholesalers, importers, and bottlers maintaining places of business in this State and licensed under this Article. The holder of the nonresident vendor license shall include the number of his license on each invoice for alcoholic beverage sold, delivered or shipped to wholesalers, importers, or bottlers in this State.

(c) The Secretary of Revenue may require the holder of a license under this section to execute and deposit with the Secretary a bond in a sum not to exceed two thousand dollars (\$2,000) conditioned upon the faithful compliance with the provisions of this Article, and particularly upon his making no sales of alcoholic beverages to any person in this State other than licensed wholesalers, importers, and bottlers. The Secretary may waive this bond entirely for a vendor who sells less than 500 cases of alcoholic beverages in North Carolina during the year."

Sec. 23. G.S. 105-113.90 is amended by deleting the words "wholesaler distributor" and substituting "wholesaler, importer,".

Sec. 24. G.S. 105-113.91 is rewritten to read:

"§ 105-113.91. State malt beverage and wine importers licenses. — Each person holding a malt beverages or wine importer permit must secure from the Secretary of Revenue a State importer's license. The annual fee for this license is one hundred fifty dollars (\$150.00)."

Sec. 25. G.S. 105-113.92 is repealed.

Sec. 26. G.S. 105-113.93 is amended by deleting the phrase "G.S. 18A-2(6)" at the end of the first paragraph and substituting "G.S. 18B-101(10)".

Sec. 27. G.S. 105-113.96 is rewritten to read:

"§ 105-113.96. Exemption from tax for sacramental wine. — The tax levied in this Article upon the sale of unfortified and fortified wine does not apply to wine received for use for sacramental purposes under G.S. 18B-103(8)."

Sec. 28. G.S. 105-113.98 is amended in the first sentence by inserting the word "not" between the words "merchandise" and "taxable".

Sec. 29. G.S. 105-113.99 is amended by rewriting the last sentence to read:

"A license may not be transferred from one person to another or from one location to another."

Sec. 30. G.S. 105-113.102 is amended in the first sentence by deleting the phrase "Chapter 18A" and substituting "Chapter 18B".

Sec. 31. G.S. 105-113.103 is amended by deleting the words "State Board of Alcoholic Control" and substituting "Alcoholic Beverage Control Commission"; and by deleting the word "Board" each place it appears in that section and substituting "Commission".

Sec. 32. G.S. 105-113.104 is amended by deleting the last two sentences of that section and substituting the following:

"The Secretary of Revenue may suspend or revoke any State license issued under this Article for up to three years for a violation of any provision of this Article or of Chapter 18B. The Secretary also may suspend or revoke any State license for up to three years upon notification that the person holding the license has been convicted of a violation of this Article or Chapter 18B."

Sec. 33. G.S. 20-16(a)(8) is rewritten to read:

"(8) Has been convicted of illegal transportation of alcoholic beverages or has been convicted under G.S. 18B-302(e) or (f) of fraudulent use of a driver's license to obtain alcoholic beverages."

Sec. 34. G.S. 20-19(a) is amended by inserting the phrase "(8) or" between "subdivision" and "(9)".

Sec. 35. The references in Sections 36 through 63 of this act to Chapter 18B of the General Statutes or to particular Articles or sections of Chapter 18B are to that Chapter and those Articles and sections as enacted by Section 2 of Chapter 412 of the 1981 Session Laws, and the amendments to Chapter 18B shall be considered amendments to Section 2 of Chapter 412.

Sec. 36. G.S. 18B-103 is amended by adding a new subdivision to read:

"(9) The possession and use of beverages containing ethyl alcohol as authorized under G.S. 20-139.1(g)."

Sec. 37. G.S. 18B-108 is rewritten to read:

"§ 18B-108. Sales on trains. — Malt beverages and unfortified wine may be sold on railroad trains in this State upon receipt of the required revenue license under G.S. 105-113.75."

Sec. 38. G.S. 18B-203(a)(13) is amended by deleting the phrase "G.S. 18-206" and substituting "G.S. 18B-206".

Sec. 39. G.S. 18B-301(b)(2) and (c)(2) are each amended by deleting the word "entertainment" and substituting "purposes".

Sec. 40. G.S. 18B-302(e) is amended by rewriting the last sentence to read:

"Conviction of a violation of this subsection shall be grounds for suspension of the defendant's driver's license for up to six months as provided in G.S. 20-16(a)(8)."

Sec. 41. G.S. 18B-302(f) is amended in the second sentence by adding the following between the word "months" and the period: "as provided in G.S. 20-16(a)(8)".

Sec. 42. G.S. 18B-304(a) is rewritten to read:

"(a) Offense. It shall be unlawful for any person to sell any alcoholic beverage, or possess any alcoholic beverage for sale, without first obtaining the applicable ABC permit and revenue licenses."

Sec. 43. G.S. 18B-306 is amended by rewriting the last sentence to read:

"No ABC permit is required to make beverages pursuant to this section, and those beverages are exempt from taxation as provided in G.S. 105-113.70(e)."

Sec. 44. G.S. 18B-307 is amended by designating subsection (b) as subsection (c) and by adding a new subsection (b) to read:

"(b) Unlawful Manufacturing. Except as provided in G.S. 18B-306, it shall be unlawful for any person to manufacture any alcoholic beverage without first obtaining the applicable ABC permit and revenue licenses."

Sec. 45. G.S. 18B-401(b) is amended in the last sentence of that subsection by deleting the word "revocation" and substituting "suspension".

Sec. 46. G.S. 18B-404(b) is amended by rewriting the second sentence of that subsection to read:

"If mixed beverages sales have been approved for an establishment under the last paragraph of G.S. 18B-603(d) or under G.S. 18B-603(e), the purchase-transportation permit for that establishment may be issued by the local board of any city located in the same county as the establishment, provided the city has approved the sale of mixed beverages."

Sec. 47. G.S. 18B-404 is further amended by adding a new subsection to read:

"(d) Size of Bottles. A purchase-transportation permit for a mixed beverages permittee shall authorize the purchase and transportation only of 750 milliliter or larger containers."

Sec. 48. G.S. 18B-504(d) is amended by adding the following between the first and second sentences of that subsection:

"The officer may destroy stills and perishable materials seized under subdivision (a)(3), if storage is impractical and if the absence of the property will not be likely to adversely affect the defendant's right to defend against the charge that is the basis for the forfeiture."

Sec. 49. G.S. 18B-600(c) is rewritten to read:

"(c) City Malt Beverage and Unfortified Wine Elections. A city may hold a malt beverage or unfortified wine election only if the county in which the city is located has already

held such an election, the vote in the last county election was against the sale of that kind of alcoholic beverage, and:

- (1) The city has a population of 500 or more; or
- (2) The city operates an ABC store."

Sec. 50. G.S. 18B-700(a) is amended by changing the period at the end of the first sentence of that subsection to a comma and by adding the following after the comma: "or unless the board is a board for a merged ABC system under G.S. 18B-703 and a different size membership has been provided for as part of the negotiated merger."

Sec. 51. G.S. 18B-703(f) is amended by inserting between the words "board" and "or" the following: ", the size of the merged board,"

Sec. 52. G.S. 18B-805(f) is rewritten to read:

"(f) Mixed Beverage Profit Shared. When, pursuant to the last paragraph of G.S. 18B-603(d), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located outside the city, the local board operating the store at which the sale is made shall retain seventy-five percent (75%) of the local share of the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the remaining twenty-five percent (25%) shall be divided equally among the local ABC boards for all other cities in the county that have authorized the sale of mixed beverages.

When, pursuant to G.S. 18B-603(e), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located at an airport outside the city, the local share of the mixed beverages surcharge required by G.S. 18B-804(b)(8) shall be divided equally among the local ABC boards for all cities in the county that have authorized the sale of mixed beverages."

Sec. 53. G.S. 18B-900(a)(2) is amended by rewriting subdivision c. to read:

"c. He is applying for a nonresident malt beverage vendor permit, a nonresident wine vendor permit, or a vendor representative permit;"

Sec. 54. G.S. 18B-900(d) is amended by adding the following between the word "old" and the period: "and shall meet the requirements of subdivisions (3), (4), (5) and (6) of subsection (a)".

Sec. 55. G.S. 18B-902(d) is amended by renumbering subdivision (24) as subdivision (27) and by adding new subdivisions (24) through (26) as follows:

"(24) Vendor representative permit — \$25.00.

"(25) Nonresident malt beverage vendor permit — \$25.00.

"(26) Nonresident wine vendor permit — \$25.00."

Sec. 56. G.S. 18B-902(e) is amended by adding the following:

"If application is made in the same year for vendor representative permits to represent more than one vendor, only one fee shall be paid. If application is made at the same time for nonresident malt beverage vendor and nonresident wine vendor permits, the total fee for those applications shall be twenty-five dollars (\$25.00)."

Sec. 57. G.S. 18B-903 is amended by adding the following new subsection:

"(e) Transfer. An ABC permit may not be transferred from one person to another or from one location to another."

Sec. 58. G.S. 18B-904 is amended by rewriting the last sentence of subsection (c) to read:

"Before the expiration of the six-month period, the Commission may waive this provision in individual cases for good cause."

Sec. 59. G.S. 18B-1100 is amended by deleting subsection (b); by deleting the phrase "(a) Types of permits."; and by adding new subdivisions to read:

"(13) Vendor representative

(14) Nonresident malt beverage vendor

(15) Nonresident wine vendor."

Sec. 60. G.S. 18B-1101 and 18B-1102 are each amended in subdivision (3) by deleting the phrase "If it is a resident North Carolina winery," and by capitalizing the first letter of the word "ship".

Sec. 61. G.S. 18B-1103(a) is amended by deleting the word "resident".

Sec. 62. G.S. 18B-1109(a)(2) is rewritten to read:

"(2) Sell, deliver and ship, in closed containers and in quantities of one case or container or more, malt beverages of any brand filed pursuant to subsection (b), to wholesalers or retailers licensed under this Chapter, as authorized by the ABC laws;"

Sec. 63. Article 11 of Chapter 18B is amended by renumbering G.S. 18B-1112, 18B-1113, and 18B-1114 as 18B-1115, 18B-1116, and 18B-1117, respectively, and by adding a new G.S. 18B-1112 through 18B-1114 to read:

"§ 18B-1112. Authorization of vendor representative permit. — (a) Authorized Acts. The holder of a vendor representative permit may represent a nonresident malt beverage or wine vendor, either as an employee or as an agent, to solicit orders for the vendor's product. The vendor representative may sell, deliver and ship alcoholic beverages in this State only to wholesalers, importers and bottlers.

(b) Number of Permits. A vendor representative shall secure a separate permit for each nonresident malt beverage or unfortified wine vendor he represents. A permit may not be issued without the approval of the vendor.

"§ 18B-1113. Authorization of nonresident malt beverage vendor permit. — The holder of a nonresident malt beverage vendor permit may sell, deliver and ship malt beverages in this State only to wholesalers, importers and bottlers licensed under this Chapter, as authorized by the ABC laws. A nonresident malt beverage vendor permit may be issued to a brewery, importer or bottler outside North Carolina who desires to sell, deliver and ship malt beverages into this State.

"§ 18B-1114. Authorization of nonresident wine vendor permit. — The holder of a nonresident wine vendor permit may sell, deliver and ship unfortified and fortified wine in this State only to wholesalers, importers and bottlers licensed under this Chapter, as authorized by the ABC laws. A nonresident wine vendor permit may be issued to a winery, wholesaler, importer, or bottler outside North Carolina who desires to sell, deliver and ship unfortified and fortified wine into this State."

Sec. 64. Section 10 of Chapter 412 of the 1981 Session Laws is amended by adding the following paragraph:

"If the membership or method of appointment of a local ABC board is required to change by this act, the members serving on the board on January 1, 1982, may continue to serve until their present terms expire or until June 30, 1983, whichever occurs first. Thereafter vacancies on the board shall be filled by appointments made in the manner provided in this act. If, however, the size of the board is reduced by this act, no vacancy may be filled until the board has been reduced by vacancies to the size required by this act."

Sec. 65. Section 11 of Chapter 412 of the 1981 Session Laws is amended by adding the following paragraph:

"In addition, those portions of Section 2 that contain G.S. 18B-107, G.S. 18B-900(e), G.S. 18B-1000(7), and the portions of G.S. 18B-1001 concerning convention centers shall become effective July 1, 1981. Establishments qualifying as convention centers under G.S. 18B-1000(7) may be issued on-premises malt beverage, on-premises unfortified wine, special occasion, and mixed beverages permits from and after that date."

Sec. 66. Subdivision (4) of Section 4 of Chapter 412 of the 1981 Session Laws is rewritten to read:

"(4) The terms 'intoxicating liquor' and 'liquor', except when 'liquor' appears as part of the term 'spirituous liquor', are amended to read 'alcoholic beverages'."

Sec. 67. Sections 1 through 34 of this act shall become effective January 1, 1982. State, city and county revenue licenses issued under Article 2C of Chapter 105 in effect on that date shall remain valid until they expire or until replaced by the equivalent license issued under this act. Each applicant for a new or replacement ABC permit under Article 11 of Chapter 18B shall pay the fee required by G.S. 18B-902(d). No fee may be charged for replacement after January 1, 1982, of a State, city or county revenue license that would otherwise be valid until April 30, 1982. Sections 35 through 67 of this act are effective upon ratification.

In the General Assembly read three times and ratified, this the 30th day of June, 1981.