

§ 18B-300.1. Authorization and regulation of social districts.

(a) Policy. – The intent of this section is to regulate open containers of alcoholic beverages that customers of a permittee take from the permittee's licensed premises into another area where consumption of the alcoholic beverages is allowed. This section shall not in any way limit the consumption or possession of alcoholic beverages otherwise allowed under this Chapter.

(b) Definitions. – The following definitions apply in this section:

- (1) Customer. – A person who purchases an alcoholic beverage from a permittee that is in a social district.
- (2) Non-permittee business. – A business that is located in a social district and does not hold any ABC permit.
- (3) Permittee. – An establishment holding any of the following permits issued by the Commission:
 - a. An on-premises malt beverage permit issued pursuant to G.S. 18B-1001(1).
 - b. An on-premises unfortified wine permit issued pursuant to G.S. 18B-1001(3).
 - c. An on-premises fortified wine permit issued pursuant to G.S. 18B-1001(5).
 - d. A mixed beverages permit issued pursuant to G.S. 18B-1001(10).
 - e. A wine shop permit issued pursuant to G.S. 18B-1001(16).
 - f. A distillery permit issued pursuant to G.S. 18B-1100(5).
- (4) Social district. – A defined area in which a person may consume alcoholic beverages sold by a permittee. A social district may include both indoor and outdoor areas of businesses within or contiguous to the defined area during the days and hours set by the local government by ordinance pursuant to subsection (d) of this section. A social district may include privately owned property, including permittees and non-permittee businesses, and multi-tenant establishments, as defined in G.S. 18B-1001.5, and public streets, crosswalks, or parking areas whether or not the streets or parking areas are closed to vehicle traffic.

(c) Local Ordinances Authorized. – Pursuant to G.S. 153A-145.9, a county may adopt an ordinance designating one or more social districts in the parts of the county outside any city. Pursuant to G.S. 160A-205.4, a city may adopt an ordinance designating one or more social districts.

(d) Requirements for Designation. – A social district designated under this section shall meet all of the following requirements:

- (1) The social district shall be clearly defined with signs posted in a conspicuous location indicating which area is included in the social district, the days and hours during which alcoholic beverages may be consumed in the social district, the telephone number for the ALE Division and the local law enforcement agency with jurisdiction over the area comprising the social district, and a clear statement that an alcoholic beverage purchased from a permittee for consumption in a social district shall (i) only be consumed in the social district and (ii) be disposed of before the person in possession of the alcoholic beverage exits the social district. The hours set by a city or county during which customer-purchased alcoholic beverages may be consumed in a social district shall be in accordance with G.S. 18B-1004.
- (2) The city or county, or the city's or county's designee, shall establish or approve management and maintenance plans for the social district and post these plans, along with a rendering of the boundaries of the social district and days and

hours during which alcoholic beverages may be consumed in the social district, on the website for the city or county. The city's or county's designee may include a private entity, including a property owner or property owner's association. Any plan established under this subdivision shall be approved by the governing body of the city or county. The social district shall be maintained in a manner that protects the health and safety of the general public. The city or county may establish guidelines in the ordinance establishing the social district or in its management and maintenance plan to allow for suspension of regular days and hours of alcohol consumption in all or part of a social district during events requiring other permits pursuant to subsection (j) of this section.

- (3) Before allowing consumption of alcoholic beverages in a social district, the city or county shall submit to the Commission a detailed map of the social district with the boundaries of the social district clearly marked, and the days and hours during which alcoholic beverages may be consumed in the social district. The city or county shall only be required to submit a revised map to the Commission if the city or county amends the geographic footprint of a social district. A permittee may be included in the social district even if it chooses to exclude open containers of alcoholic beverages purchased from other permittees in the social district.
- (4) The city or county, or the city's or county's designee, shall develop or approve uniform signs indicating that a non-permittee business is included in the social district and allows alcoholic beverages on its premises when the social district is active and distribute the signs to non-permittee businesses that are included in the social district. The city's or county's designee may include a private entity, including a property owner or property owner's association. The signs may be in the form of a sticker, placard, or other format as deemed appropriate by the city or county. A participating non-permittee business shall display the uniform sign at all times during the times when the social district is active. A customer may not bring an alcoholic beverage into a non-permittee business that does not display the uniform sign. No non-permittee business shall be required to participate or be included in a social district or to allow customers to bring alcohol onto its premises.

(e) Open Containers Sold by Permittees. – A permittee located in a social district may sell open containers of alcoholic beverages and allow customers to exit its licensed premises to the social district in accordance with the following requirements:

- (1) The permittee shall only sell and serve alcoholic beverages on its licensed premises.
- (2) The permittee shall only sell an open container of an alcoholic beverage for consumption in the social district and off the premises of the permittee in a container that meets all of the following requirements:
 - a. The container clearly identifies the permittee from which the alcoholic beverage was purchased.
 - b. The container clearly displays a logo or some other mark that is unique to the social district in which it will be consumed.
 - c. The container is not comprised of glass.
 - d. The container displays, in no less than 12-point font, the statement, "Drink Responsibly – Be 21."
 - e. The container shall not hold more than 16 fluid ounces.

- (3) Nothing in this subsection shall be construed to authorize the sale and delivery of alcoholic beverage drinks in excess of the limitation set forth in G.S. 18B-1010.

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

- (1) A customer may only possess and consume open containers of alcoholic beverages that were purchased from a permittee located in the social district.
- (2) Customer-purchased open containers of alcoholic beverages in the social district shall only be in containers meeting the requirements set forth in subsection (e) of this section, except for open containers sold by a permittee for consumption on the permittee's premises.
- (3) A customer may only possess and consume open containers of alcoholic beverages in the social district during the days and hours set by the city or county in accordance with subsection (b) of this section, not to exceed the hours for consumption authorized pursuant to G.S. 18B-1004.
- (4) A customer shall not possess at one time open containers of alcoholic beverages in the social district in excess of the number of alcoholic beverages that may be sold and delivered by a retail permittee as set forth in G.S. 18B-1010.
- (5) A customer shall dispose of any open container of an alcoholic beverage purchased from a permittee in the customer's possession prior to exiting the social district unless the customer is reentering the licensed premises of the permittee where the customer purchased the alcoholic beverage.
- (6) Notwithstanding G.S. 18B-300 and G.S. 18B-301, a permittee or non-permittee business may allow a customer to possess and consume on the business's premises alcoholic beverages purchased from a permittee in the social district.

(g) Limitations on Closed Containers. – A person, including a customer who is in possession of an open container of an alcoholic beverage authorized under this section, may possess alcoholic beverages in closed containers in a social district to the extent allowed by law.

(h) Responsibilities of Non-Permittee Businesses. – A non-permittee business that is part of a social district and that allows customers to bring alcoholic beverages onto its premises shall not be responsible for enforcement of this Chapter. All non-permittee businesses that are part of a social district and that allow customers to bring alcoholic beverages onto their premises shall clearly post signage on any exits that do not open to the social district indicating that alcoholic beverages may not be taken past that point. During the days and hours when the social district is active, a non-permittee business that allows customers to bring alcoholic beverages onto its premises shall allow law enforcement officers access to the areas of the premises accessible by customers.

(i) Multi-Tenant Establishments Located in a Social District. – Permittees and non-permittee businesses in a multi-tenant establishment located within a social district may participate in the social district regardless of whether the multi-tenant establishment has a common area entertainment permit.

(j) Interaction with Other Permits. – The Commission shall issue permits for special events occurring partially or entirely within the boundaries of a social district as follows:

- (1) The Commission may issue special one-time permits pursuant to G.S. 18B-1002(a)(2) or (a)(5) for events occurring on premises located partially or entirely within the boundaries of a social district. If the event is scheduled to occur during hours when alcoholic beverages may be consumed

in the social district, the event permittee shall, in addition to obtaining such signed law enforcement notification as may be required under the Commission's rules, include in such notification a statement that the event is to occur in a social district during days and hours designated for consumption of alcoholic beverages.

- (2) A permittee holding a winery special event permit, malt beverage special event permit, or spirituous liquor special event permit pursuant to G.S. 18B-1114.1, 18B-1114.5, and 18B-1114.7, respectively, may sell and serve products at special events taking place in a social district.
- (3) A permittee holding a mixed beverages catering permit pursuant to G.S. 18B-1001(12) may serve spirituous liquor to guests at events taking place in a social district. (2022-49, s. 3(f).)