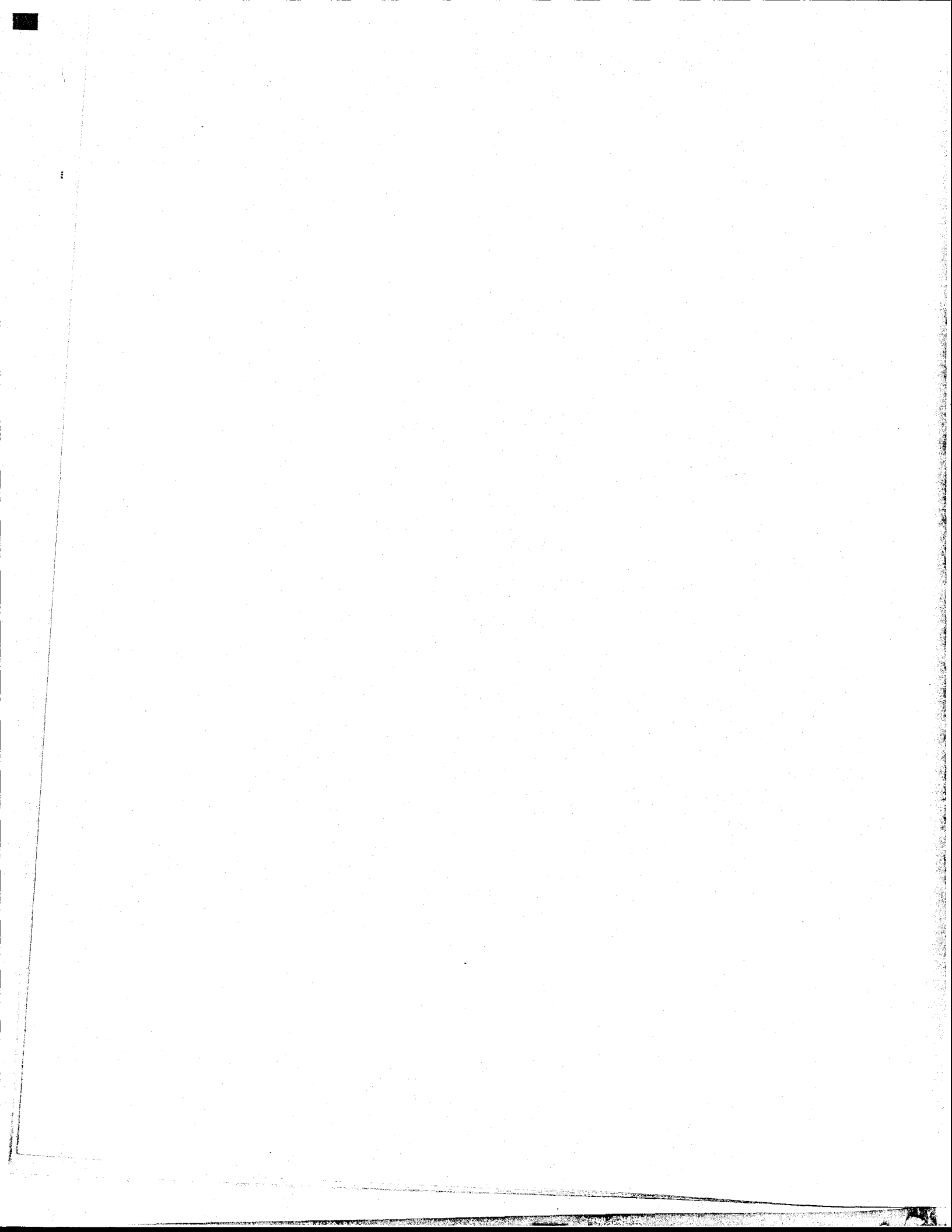


1973 REPORT

LEGISLATIVE RESEARCH COMMISSION

A STUDY OF THE EFFECTS OF THE 1971 GENERAL ASSEMBLY'S

REVISION OF THE NORTH CAROLINA INTOXICATING BEVERAGES LAWS

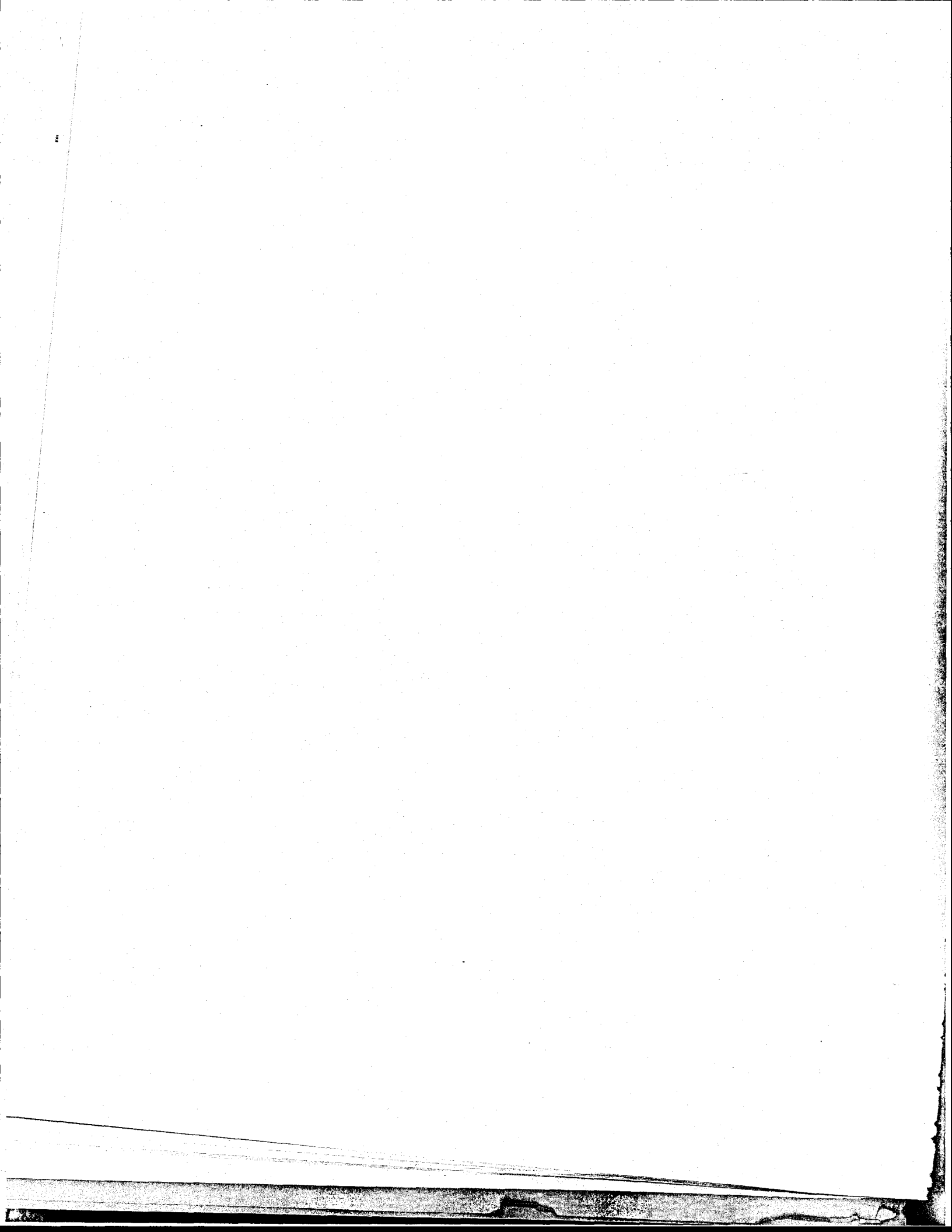


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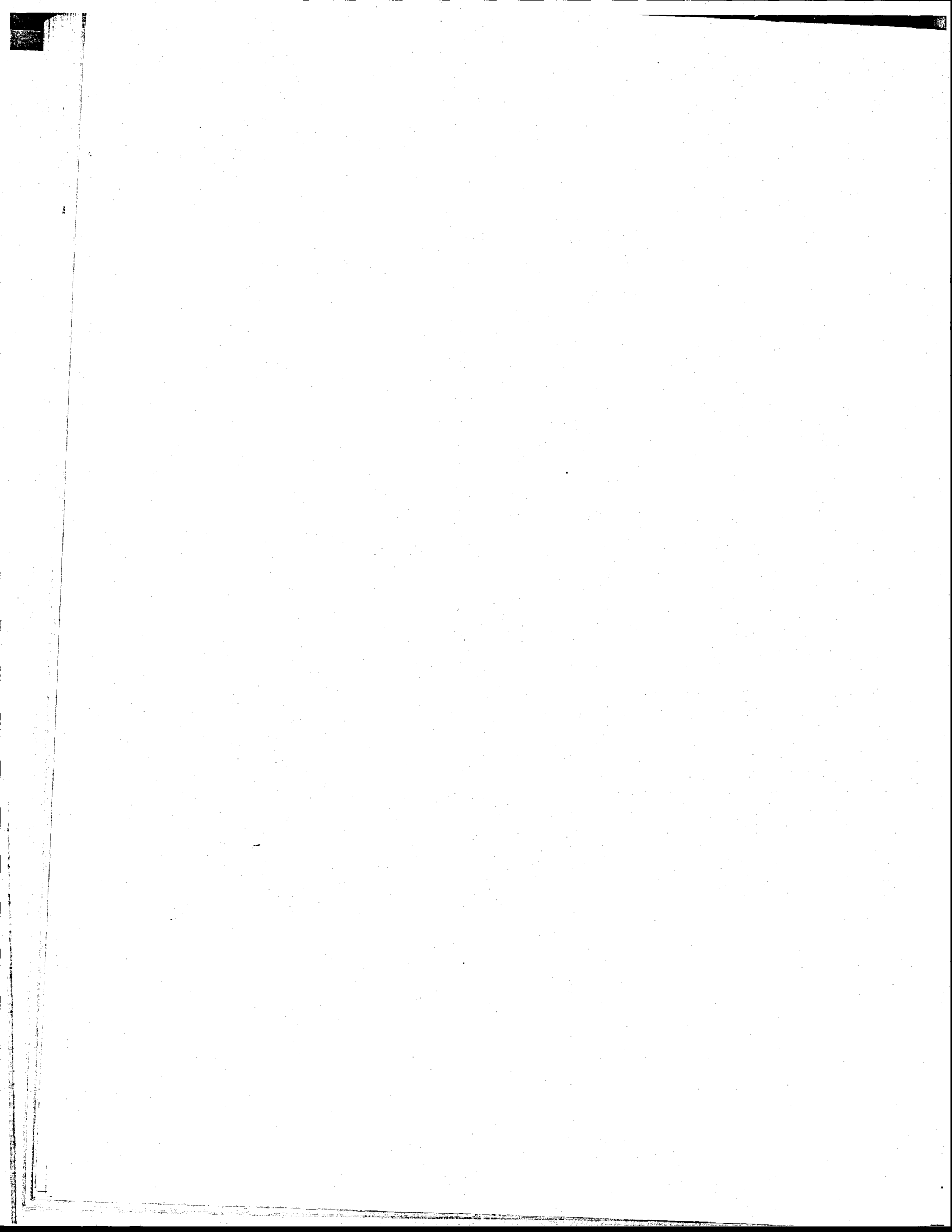
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## INTRODUCTION

On July 21, 1971, the House of Representatives of the General Assembly of North Carolina adopted House Resolution 1590 directing the Legislative Research Commission to "study the effects on the sale, use and enforcement of the intoxicating beverages laws in light of the 1971 revisions of the Alcoholic Control Laws." (A copy of H.R. 1590 is contained in Appendix I.)

The Co-Chairmen of the Legislative Research Commission appointed Senator Lamar Gudger Chairman of a Committee to undertake the study directed by H.R. 1590 and to report findings to the full Commission. Chairman Gudger is a member of the Legislative Research Commission; other members of the Committee to study the effects of the 1971 revision of the North Carolina intoxicating beverages laws were drawn from the General Assembly at large and from interested organizations in the public sector. The Committee members are: Representative Hugh B. Campbell, Jr.; Representative L. Snead High; Senator H. Edward Knox; Senator Norris C. Reed, Jr.; Mr. Charles C. Roach, Chairman of the Legislative Committee of the N. C. Association of ABC Boards; Mr. James A. Stutts, Legal Representative of the U. S. Brewers Association; and Senator Stewart B. Warren.



## COMMITTEE PROCEEDINGS

The Committee began its study on March 30, 1972, and completed its work on August 25, 1972. (A listing of the meetings of the Committee and the participants at the meetings is contained in Appendix II.)

The Committee started its investigations with a review of the major statutory changes from the 1971 General Assembly. Senate Bill 107, ratified as Chapter 872 of the 1971 Session Laws on July 16, 1971, enacted a new General Statutes (G.S.) Chapter 18A to provide a uniform system of control over the sale, purchase, transportation, manufacture and possession of intoxicating liquors. The Committee discussions explored the effects of the changes brought about by new G.S. Chapter 18A and the relationship of these changes to sales, use and enforcement. (An outline of the major changes from old G.S. Chapter 18 is contained in Appendix III; statistical information that relates to sales, use and enforcement is contained in Appendix IV through Appendix VIII.)

At its initial meeting, the Committee decided to focus its attention on provisions of the current law covering four main areas and to recommend changes that will improve the intoxicating beverages laws in these areas. The four areas are:

1. Local Option Election Machinery [G.S. 18A-51 & 18A-52]
2. Mandatory or Optional Funds for Education and Rehabilitation [G.S. 18A-17(14)]
3. Law Enforcement [various G.S. sections]
4. State and Local Conflict [various G.S. sections].

The Committee has taken an exhaustive look at the North Carolina General Statutes dealing with these four areas of concern. Pursuant to Committee discussion of possible improvement, the following statutory changes are recommended:

#### COMMITTEE RECOMMENDATIONS

(G.S. sections are set out as they would read if the Committee recommendations were adopted. Each section which is proposed to be changed is set off by a ●. Where material has been added or substituted within the text of the statute sections, the new or changed wording is underscored; new paragraphs or sections are not underscored, but they are designated by marginal notes. Changes from the current language are identified and explained in the comments following each section.)

#### Proposed Changes, North Carolina General Statutes

- G.S. 18A-8(b)      Sale to or purchase by minors.--  
Modified.
- G.S. 18A-15.      Powers and authority of State Board.--  
Subsection (3)--Modified.  
Subsection (10)--Modified.
- G.S. 18A-17.      Powers and duties of county boards.--  
Subsection (5)--Modified.  
Subsection (6)--Modified.  
Subsection (8)--Modified.  
Subsection (9)--Replaced.  
Subsection (14)--Modified.  
Subsection (16)--New.
- G.S. 18A-20(b).      Powers of local officers.--  
Modified.



- G.S. 18A-22. Law enforcement officers to search for and seize distilleries.--  
Subsection (a)--Modified.  
Subsection (b)--Modified.
- G.S. 18A-30(3). Possession and consumption of alcoholic beverages at designated places.--  
Sub-subsection (a)--Modified.  
Sub-subsection (c)--Modified.  
Sub-subsection (d)--New.
- G.S. 18A-33. Sale and consumption during certain hours prohibited.--  
Subsection (b)--Modified.  
Subsection (c)--New.
- G.S. 18A-34(a). Prohibited acts of licensees.--  
Sub-subsection (1)--Deleted.  
Sub-subsections (2) through (5)--Redesignated (1) through (4).  
Subsubsection (5)--New.
- G.S. 18A-40. Permits prohibited.--  
Subsection (a)--Deleted.  
Subsections (b) and (c)--Redesignated (a) and (b) respectively.
- G.S. 18A-51. County elections as to alcoholic beverage control stores.--  
Modified.
- G.S. 18A-52. Malt beverage and unfortified wine elections in counties or municipalities.--  
Subsection (b)--Modified.  
Subsection (d)(2)--Modified.  
Subsection (f)--Modified.  
Subsection (g)--Modified.  
Subsection (j)--Modified.

G.S. 18A-8. Sale to or purchase by minors.---

(b) Whenever a sale of malt beverages or unfortified wine is made to a person under the age of 18 years, it shall be prima facie evidence that the person making the sale had knowledge that the purchaser was under the age of 18 years. Such prima facie evidence may be rebutted by showing that the purchaser produced for inspection a driver's license, selective service card, or military identification card showing the age of the purchaser to be 18 years or more and the description of the physical appearance of the person on the identification card reasonably describes the purchaser. In the absence of such identification, the prima facie evidence of knowledge of age may be rebutted by the vendor by other evidence which reasonably indicated at the time of sale that the purchaser was 18 years of age or more.

COMMENTS

In subsection (b) the words "school identification card," have been deleted from the list of documents that may be used to show the age of the purchaser. The Committee feels that this deletion is desirable because of the ease of counterfeiting the school cards.

G.S. 18A-15. Powers and authority of State Board.---The State Board of Alcoholic Control shall have power and authority as follows:

\* \* \* \* \*

- (3) To fix the retail prices of all alcoholic beverages sold in the county and municipal A.B.C. stores at such levels as shall promote the temperate use of these beverages and as may facilitate policing, which price shall be uniform throughout the State; to compute the taxes levied by G.S. 105-113.93 and 105-113.94 on the retail prices so fixed; to determine the total prices of all such alcoholic beverages, which total price shall be the sum of the retail price plus the tax levied by G.S. 105-113.93 and 105-113.94; and to notify

the stores periodically of such prices. The State Board of Alcoholic Control shall cause the several county and municipal alcoholic boards of control to add to the established retail prices of all alcoholic beverages sold in said county and municipal A.B.C. stores as provided above the sum of five cents (5¢) per bottle on every bottle of alcoholic beverages sold in said stores, which shall be in addition to the retail prices of all alcoholic beverages as set by the State Board of Alcoholic Control. This five cents (5¢) per bottle increase in the retail prices of alcoholic beverages sold by county, or municipal A.B.C. stores shall not be subject to the tax levied in G.S. 105-113.93 and 105-113.94, but the clear proceeds of the additional retail price of five cents (5¢) per bottle as provided above shall be remitted to the State Treasurer, accompanied by forms or reports to be prescribed and furnished by the State Board of Alcoholic Control which remittances shall be placed in the general fund and shall be appropriated by the General Assembly for education on the excessive use of alcoholic beverages and for the rehabilitation of alcoholics. Said reports and remittances of the five cents (5¢) per bottle as herein provided shall be made monthly by the local boards on or before the fifteenth day of the succeeding month; that to every bottle of alcoholic beverages containing two ounces or less sold in said stores there shall be added to the price as established by the State Board of Alcoholic Control the sum of one cent (1¢) in lieu of the five cents (5¢) per bottle provided hereinabove and said sum shall be remitted and accounted for in the same manner as hereinabove provided on bottles containing more than two ounces.

\* \* \* \* \*

- (10) To approve or disapprove, in its discretion, the opening and location of county and municipal stores; provided that in the location of control stores in any county in which a majority of the votes have been cast for liquor control stores, no store or stores shall be located in any community or town in which a majority of the votes cast were against control; provided further, however, that stores may be located in such communities and towns if and when as many as twenty percent (20%) of the qualified voters therein by petition, at any time after 18 months since the last election on such question, have requested the location of such a store or stores in such communities or towns and the State Board has found, upon due investigation after receipt of such petition, that a majority of the

qualified electors in such community or town are at the time such investigation is made in favor of establishing such store or stores. . . .

\* \* \* \* \*

#### COMMENTS

In subsection (3) "and shall be appropriated by the General Assembly for education on the excessive use of alcoholic beverages and for the rehabilitation of alcoholics" has been added to earmark the 5¢ per bottle tax for use in alcohol education and rehabilitation.

[Staff Note: Apparently, the 1971 General Assembly made an error in language and punctuation when it added a final sentence to subsection (3) dealing with bottles containing less than two ounces. The intent would probably be clarified by changing the semicolon after the words "succeeding month;" to a period and by inserting the word "Provided" before the words "that to every bottle of alcoholic beverages". As corrected, the final two sentences of subsection (3) would read as follows:

"Said reports and remittances of the five cents (5¢) per bottle as herein provided shall be made monthly by the local boards on or before the fifteenth day of the succeeding month. Provided that for every bottle of alcoholic beverages containing two ounces or less sold in said stores there shall be added to the price . . . ."

For grammatical clarity in the fourth line above, the word "for" has been substituted for the word "to".

In subsection (10) the percentage requirement for petitions concerning the location of ABC stores has been changed from "fifteen percent (15%)" to "twenty percent (20%)". This new figure is consistent with the 20% requirement recommended for G.S. 18A-51 and G.S. 18A-52 (local option ABC stores, and malt beverage and unfortified wine sales).

G.S. 18A-17. Powers and duties of county boards.---The said county boards shall each have the following powers and duties:

\* \* \* \* \*

(5) To fix the hours for the opening and closing of stores operated by it. No store, however, shall be permitted to remain open between the hours of 11:00 p.m. and 9:00 a.m.;

(6) To require any county stores to close on such days as it may designate, but all stores shall remain closed on Sundays, Thanksgiving and Christmas Day.

\* \* \* \* \*

(8) To purchase or lease property, furnish, and equip building, rooms, and accomodations as and when required for the storage and sale of alcoholic beverages and for distribution to all county stores within said county and for all other legal and proper purposes of the board;

(9) To dispose of property as provided in Article 12 of Chapter 160A of the General Statutes as if it were a governing body of the municipality;

\* \* \* \* \*

(14) To expend for law enforcement a sum not less than five percent (5%) nor more than ten percent (10%) of the total profits to be determined by quarterly audits, and in the expenditure of said funds to employ one or more persons to be appointed by and directly responsible to the respective county boards; the persons so appointed shall be designated county A.B.C. officers. Local A.B.C. boards shall submit quarterly reports to the State A.B.C. Board, under regulations prescribed by said State Board, evidencing compliance with provisions of this section requiring expenditures for law enforcement.

In addition, and notwithstanding any local acts to the contrary, any county or municipal board shall expend not less than seven percent (7%) of its total profits, to be determined by quarterly audits, for education on the excessive use of alcoholic beverages and for the rehabilitation of alcoholics. Expenditures for the purposes specified in this paragraph may be made, in the discretion of the board, either for programs carried on by the board or as appropriations to nonprofit corporations or agencies sponsoring or engaging in such education, research, or rehabilitation.

\* \* \* \* \*

(new subsection) (16) To invest any funds temporarily held in the following: Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States, shares of any building and loan association organized under the laws of this State, or of any federal savings and loan association having its principal office in this State, and certificates of deposit for time deposits or savings accounts in any bank or trust company authorized to do business in North Carolina, to the extent in each instance that such shares or deposits are insured by the State or federal government or agency thereof. If the board desires to deposit in bank, savings and loan, or trust company funds beyond the extent that such deposits are insured by the State or federal government or any agency thereof, the board shall require such depository to furnish a corporate surety bond or bonds of the United States government or of the State of North Carolina or of counties and municipalities of North Carolina whose bonds have been approved by the Local Government Commission. Nothing contained herein shall be deemed to authorize investments by local boards for periods of more than 200 days.

#### COMMENTS

In subsection (5) permissible hours of sale have been extended from "9:00 p.m." to "11:00 p.m.". The Committee feels that this extension will serve the purpose of more effective control and better law enforcement by restricting bootlegging.

In subsection (6) "New Year's Day," "Fourth of July," "Labor Day," and "state-wide election days" have been removed from the list of required closing days. This extension of the time that control stores are open follows the reasoning of recommended changes in subsection (5)--better control and enforcement from restriction of bootlegging activity.

In subsection (8) the phrase "and for all other legal and proper purposes of the board;" has been added; in subsection (9) the requirement "(t)o sell at public auction" has been removed and replaced with a provision allowing sale as with the governing body of a municipality. These changes are recommended as

needed expansion of the methods now available to county boards for acquisition and disposal of property.

In subsection (14), after the words "in addition," in the second paragraph, the phrase "and notwithstanding any local acts to the contrary," has been added. This change is recommended to enforce the intent of the 1971 General Assembly to require certain expenditures in every county in the State despite any contrary local legislation.

Subsection (16) is a new provision to authorize short-term investments by county boards.

G.S. 18A-20. Powers of local officers.---

(b) Within their respective jurisdictions, all sheriffs, deputy sheriffs, municipal police, and local A.B.C. officers, as well as rural police and other local law enforcement officers, shall have authority to investigate the operation of premises licensed under any provision of this Chapter and to procure evidence with respect to violations of this Chapter or any rule or regulation promulgated pursuant thereto. These law-enforcement officers shall have the right to enter the licensed premises in the performance of their duties at any hour of the day or night.

COMMENTS

"(R)ural police and other local law enforcement officers" have been added to the list of officers given investigative authority by subsection (b).

G.S. 18A-22. Law enforcement officers to search for and seize distilleries: confiscation; disposal of property.---

(a) It is the duty of all sheriffs, deputy sheriffs, municipal police, rural police, state and local A.B.C. officers, and other law enforcement officers to search for and seize all equipment and materials used for the illegal manufacture of intoxicating liquor; and, except as provided in subsection (b), to retain

the equipment and materials at the office of the law enforcement agency making the seizure until disposed of by court order.

(b) It is the duty of the sheriff and other officers mentioned in this section to seize and then and there destroy any liquor, non-saleable equipment or perishable materials which may be found at any distillery for the illegal manufacture of intoxicating liquor, and to arrest and hold for trial all persons found on the premises engaged in distilling or aiding or abetting in the manufacture of intoxicating liquor.

#### COMMENTS

In subsection (a) the list of officers has been expanded to include "deputy sheriffs, "rural police, "state and local A.B.C. officers," and "other law enforcement officers." Also in subsection (a), the old provision for the board of county commissioners to supervise the destruction or disposal of seized materials and equipment has been deleted; a new provision has been added directing the disposal of material and equipment by court order (similar to G.S. 18A-24).

In subsection (b) the direction to destroy liquor has been expanded to include "non-saleable equipment or perishable materials."

Since G.S. 18A-22 was significantly rewritten, the language of the current statute is carried below for comparison.

**§ 18A-22. Sheriffs and police to search for and seize distilleries; confiscation; disposal of property.**—(a) It is the duty of the sheriff of each county in the State and of the police of each incorporated town or city in the State to search for and seize any distillery or apparatus used for the manufacture of intoxicating liquor in violation of the laws of North Carolina, and to deliver same, with any materials used for making such liquor found on the premises, to the board of county commissioners, who shall confiscate the same and shall cause the distillery to be cut up and destroyed, in their presence or in the presence of a committee of the board, and who may dispose of the material, including the copper or other material from the destroyed still or apparatus, in such manner as they may deem proper.

(b) It is the duty of the sheriff and other officers mentioned in this section to seize and then and there destroy any and all liquor which may be found at any distillery for the manufacture of intoxicating liquor in violation of law, and to arrest and hold for trial all persons found on the premises engaged in distilling or aiding or abetting in the manufacture or sale of intoxicating liquor. (1923, c. 1, ss. 21, 22; C. S., s. 3411(u), (v); 1971, c. 872, s. 1.)



G.S. 18A-30. Possession and consumption of alcoholic beverages at designated places.--It shall be lawful in any county or municipality of this State for any person who is at least 21 years of age to possess, for lawful purposes, alcoholic beverages in quantities not in excess of one gallon, unless otherwise authorized, provided that these alcoholic beverages are obtained from an authorized alcoholic beverage control store within this State or from a lawful source outside this State, and provided that said alcoholic beverages are possessed for a purpose other than for sale or barter, and provided that said alcoholic beverages are purchased, possessed, and consumed in accordance with this and other applicable sections of this Chapter, including the following:

\* \* \* \* \*

(3) Special Occasions.--Alcoholic beverages in quantities in excess of one gallon may be possessed by a person on a special occasion, subject to the rules and regulations adopted by the State Board of Alcoholic Control, not for sale or barter, for the use and consumption of himself and his guests, when he meets one or more of the following requirements:

- a. He is using his personal residence or related place as defined in subdivision (1) hereof, or
- b. He is using a facility, as a member, as defined in subdivision (2) of this section, and said facility has a valid permit from the State Board of Alcoholic Control for this purpose; or
- c. He is using a restaurant or related place as defined in subdivision (4) hereof for a private meeting or party limited in attendance to members or guests of a particular person, group, association, or organization, and said restaurant or related place has obtained a permit from the State Board of Alcoholic Control for this purpose, or
- d. He is using a national guard armory, auditorium or convention or civic center and said facility has a valid special occasion permit from the State Board of Alcoholic Control for this purpose.

Auditorium as used in this subdivision shall mean a room, hall or building owned and operated by a municipality or other governmental unit used for public gatherings.

National guard armory as used in this subdivision shall mean any facility defined in G.S. 143-229 and actually used from time to time by a national guard unit.

Convention or civic center as used in this subdivision shall mean a structure or structures generally used for conventions, town meetings, entertainment or other functions which will accommodate at least 100 persons seated.

(new sub-subdivision)

(new paragraph)

When any premises other than those defined in subdivision (1) are used for a special occasion, a permit form issued by the State Board of Alcoholic Control shall be displayed on the door of the room, building or other contained area of the occasion designating the occasion and the person or persons having possession of more than one gallon of alcoholic beverages.

\* \* \* \* \*

## COMMENTS

The recommended changes in G.S. 18A-30(3) are designed to restrict the granting of special occasion permits to residence or related places, social establishments, restaurants or related places, and designated public gathering places.

In subdivision (3) a. "premises under his exclusive control" has been deleted and replaced by "related place as defined in subdivision (1) hereof."

In subdivision (3) c. "commercial establishment or any part thereof" has been deleted and replaced by "a restaurant or related place as defined in subdivision (4) hereof." Also, in subdivision (3) c., "said commercial establishment" has been deleted and replaced by "said restaurant or related place."

A new sub-subdivision d. has been added to subdivision (3) to authorize special occasion permits for auditoriums, national guard armories, and convention or civic centers.

A new paragraph has been added to the end of subdivision (3) requiring that the door of the facility being used for the occasion display a special occasion permit form designating the occasion and the person to have possession of the alcoholic beverages.

⌈ Since significant alterations have been recommended and various cross-references are used, the pertinent language of the current statute is carried below for comparison. ⌋

**§ 18A-30. Possession and consumption of alcoholic beverages at designated places.**—It shall be lawful in any county or municipality of this State for any person who is at least 21 years of age to possess, for lawful purposes, alcoholic beverages in quantities not in excess of one gallon, unless otherwise authorized, provided that these alcoholic beverages are obtained from an authorized alcoholic beverage control store within this State or from a lawful source outside this State, and provided that said alcoholic beverages are possessed for a purpose other than for sale or barter, and provided that said alcoholic beverages are purchased, possessed, and consumed in accordance with this and other applicable sections of this Chapter, including the following:

(1) **Residence and Related Places.**—A person may possess and consume said alcoholic beverages in his private residence, or in any private residence of another where permission has been given, or in any hotel or motel room that said person has rented or to which he is invited, or at any place of secondary residence similarly used, where permitted by the owner. A person may also possess and consume said alcoholic beverages, but not in view of the general public, on any other private property not primarily engaged in commercial entertainment and not open to the general public at the time, when such person, association, or corporation has obtained the express permission of the owner or person lawfully in possession of said property, and when said alcoholic beverages are consumed by said person, his family, his bona fide guest, or bona fide guests of the association or corporation; provided, however, that this sentence shall not be construed to permit or in any way or manner authorize the possession or consumption of alcoholic beverages on premises for which a permit is required pursuant to subdivisions (2), (3), or (4) of this section.

(2) **Social Establishments.** — Any person, association, or corporation may furnish facilities located on its premises, which facilities shall not be open to the general public, for the storage of alcoholic beverages for its bona fide members, in quantities not in excess of one gallon for each member, unless otherwise authorized, and for consumption by its members and their guests, but subject to the following conditions:

- a. The establishment is organized and operated solely for purposes of a social, recreational, patriotic, or fraternal nature; and
- b. It has a valid permit from the State Board of Alcoholic Control for this purpose; and
- c. The alcoholic beverages are stored in individual lockers and the name of the beverage owner shall be clearly displayed on both the locker and the bottle or bottles; and

d. Any alcoholic beverage stored in any locker is for the exclusive use of the member and his guests and not to be sold or distributed to any other person.

- (3) **Special Occasions.**—Alcoholic beverages in quantities in excess of one gallon may be possessed by a person on a special occasion, subject to the rules and regulations adopted by the State Board of Alcoholic Control, not for sale or barter, for the use and consumption of himself and his guests, when he meets one or more of the following requirements:
- a. He is using his personal residence or premises under his exclusive control, or
  - b. He is using a facility, as a member, as defined in subdivision (2) of this section, and said facility has a valid permit from the State Board of Alcoholic Control for this purpose; or
  - c. He is using a commercial establishment or any part thereof for a private meeting or party limited in attendance to members or guests of a particular person, group, association, or organization, and said commercial establishment has obtained a permit from the State Board of Alcoholic Control for this purpose.
- (4) **Restaurants and Related Places.**—It shall be unlawful for any person to possess or consume any alcoholic beverages of any and all kinds, other than fortified wines (which contain more than fourteen percent (14%) of alcohol by volume) on the premises of any business establishment that is not permitted under subdivisions (1), (2), or (3) of this section unless said establishment meets the following requirements:
- a. The premises have an inside dining area with a seating capacity of at least 36 persons and a separate kitchen facility; and
  - b. The business is engaged primarily and substantially in preparing and serving meals or furnishing lodging; and provided further, that the State Board of Alcoholic Control shall have broad power to examine the type and nature of the business and the combination and location of separate or affiliated businesses at the same location to determine if the establishment is a bona fide restaurant-type facility; and
  - c. The business has a valid permit from the State Board of Alcoholic Control for this purpose, including the requirement that the business post the type of notices required by said Board.

G.S. 18A-33. Sale and consumption during certain hours prohibited.--

(b) In addition to the restrictions on the sale of malt beverages and/or wines (fortified or unfortified) set out in this section, the governing bodies of all municipalities and counties in North Carolina shall have, and they are hereby vested with, full power and authority to regulate and prohibit the sale of malt beverages and/or wine (fortified or unfortified) from 1:00 p.m. on each Sunday until 7:00 a.m. on the following Monday. Provided, however, that municipalities and counties shall have no authority under this subsection to regulate or prohibit sales after 1:00 p.m. on Sundays by establishments having a permit issued under G.S. 18A-30(2) and (4).

The power herein vested in governing bodies of municipalities shall be exclusive within the corporate limits of their respective municipalities, and the powers herein vested in the county commissioners of the various counties in North Carolina shall be exclusive in all portions of their respective counties not embraced in the corporate limits of municipalities therein.

(new subsection)

(c) It shall be unlawful to consume malt beverages on any premises having only an off-premises malt beverage permit; and it shall also be unlawful to consume wine (fortified or unfortified) on any premises having only an off-premises permit for the type of wine being so consumed.

COMMENTS

In subsection (b) "Article 3 of this Chapter" has been deleted from the last line of the first paragraph, and it has been replaced by "G.S. 18A-30(2) and (4)." This change will eliminate the unintended allowance of Sunday sale of malt beverages or wine in places with special occasion permits.

A new subsection (c) has been added to specifically prohibit consumption of malt beverages or wine on the premises of establishments holding only off-premises permits. This will give the conscientious operators of off-premises establishments some assistance in operating their businesses within the limitations of their permits. The subsection will establish a criminal penalty for the person who consumes beer or wine on such premises and it will compliment the recommended change to G.S.

18 A-34 which specifically prohibits operators from allowing on-premises consumption.

G.S. 18A-34. Prohibited acts of licensees; wine and malt beverage purchases limited as to quantity.---(a) No holder of a license or permit authorizing the sale at retail of malt beverages or wine (fortified or unfortified) for consumption on or off the premises where sold, or any servant, agent, or employee of the licensee, shall do any of the following upon the licensed premises:

(new subdivision)

- (1) Knowingly sell such beverages to any person while such person is in an intoxicated condition;

\* \* \* \* \*

- (5) Knowingly permit the consumption of any kind of intoxicating liquors not allowed to be consumed on said premises.

COMMENTS

Present subdivision (1), which prohibits sale to underage persons, has been deleted as an unnecessary duplication of G.S. 18A-8 (a). Present subdivisions (2) through (5) have been redesignated subdivisions (1) through (4).

∟The current G.S. 18A-8 (a) is carried below.∟

- § 18A-8. Sale to or purchase by minors.---(a) It shall be unlawful for:
- (1) Any person, firm, or corporation knowingly to sell or give any malt beverages or unfortified wine to any person under 18 years of age;
  - (2) Any person under 18 years of age to purchase or possess, or for any one to aid or abet such person in purchasing, any malt beverages or unfortified wine;
  - (3) Any person, firm, or corporation knowingly to sell or give any alcoholic beverages to any person under 21 years of age; or
  - (4) Any person under 21 years of age to purchase or possess, or for any one to aid or abet such person in purchasing, any alcoholic beverages.

A new subdivision (5) has been added to subsection (a). Use of the word "Knowingly" protects conscientious operators of off-premises establishments, but specifically prohibits operators from allowing consumption on the premises. Allowing such consumption is not now expressly prohibited by statute, although permits are revoked when ABC officers find consumption on the premises.

The current G.S. 18A-34 (a) is carried below.

**§ 18A-34. Prohibited acts of licensees; wine and malt beverage purchases limited as to quantity.**—(a) No holder of a license or permit authorizing the sale at retail of malt beverages or wine (fortified or unfortified) for consumption on or off the premises where sold, or any servant, agent, or employee of the licensee, shall do any of the following upon the licensed premises:

- (1) Knowingly sell such beverages to any person not of lawful age;
- (2) Knowingly sell such beverages to any person while such person is in an intoxicated condition.
- (3) Sell such beverages upon the licensed premises or permit such beverages to be consumed thereon, on any day or at any time when such sale or consumption is prohibited by law;
- (4) Permit on the licensed premises any disorderly conduct, breach of peace, or any lewd, immoral, or improper entertainment, conduct, or practices; or permit on the licensed premises any conduct or entertainment by nude performers or entertainers, or persons wearing transparent clothing or performances by any male or female performers simulating sexual acts or sexual activities with any person, object, device or other paraphernalia;
- (5) Sell, offer for sale, possess, or knowingly permit the consumption on the licensed premises of any kind of intoxicating liquors the sale or possession of which is not authorized by law.

G.S. 18A-40. Permits prohibited.—(a) No permit shall be issued to a poolroom or billiard parlor . . .

#### COMMENTS

Present subsection (a) prohibits malt beverage or wine permits for public schools or college in this State. The Committee recommends the deletion of subsection (a), and it recommends that present subsection (b) and (c) be redesignated subsections (a) and (b).

7 The language of current G.S. 18A-40 is carried below. 7

**§ 18A-40. Permits prohibited.**—(a) No permit shall be issued for the sale of malt beverages or wine (fortified or unfortified) upon the campus or property of any public school or college in this State.  
 (b) No permit shall be issued to a poolroom or billiard parlor or to any person operating same for the sale of wine (fortified or unfortified).  
 (c) No retail malt beverage or wine (fortified or unfortified) on premise permit shall be issued for any establishment within 50 feet of a church or a public school unless the State Board of Alcoholic Control determines upon proper investigation and a hearing, if requested, that the establishment is a suitable one and that the failure to issue a permit will result in undue hardship. (1971, c. 872, s. 1.)

G.S. 18A-51. County elections as to alcoholic beverage control stores.

No county alcoholic beverage control store shall be established, maintained or operated in any county of this State until and unless there has been held in the county an election as provided herein, and the election shall be held under the same general laws, rules and regulations applicable to elections for county officers, insofar as practicable, provided that no absentee ballots or markers shall be permitted. At this election there shall be submitted to the qualified voters of the county the question of setting up and operating in the county an alcoholic beverage control store, or stores, as herein provided. Those favoring the setting up and operation of alcoholic beverage control stores in the county shall mark in the voting square to the left of the words "for county alcoholic beverage control stores" printed on the ballot, and those opposed to setting up and operating alcoholic beverage control stores in the county shall mark in the voting square to the left of the words "against county alcoholic beverage control stores," printed on the same ballot. If a majority of the votes cast in such election shall be for county alcoholic beverage control stores, then an alcoholic beverage control store, or alcoholic beverage control stores, may be set up and operated in the county as herein provided. If a majority of the votes cast at the election are against county alcoholic beverage control stores, then no alcoholic beverage control store shall be set up or operated in the county under the provisions of this Chapter.

The election shall be called in the county by the board of elections of the county only upon the written request of the board of county commissioners therein, or upon a petition to the board of elections signed by a number of voters of the county equal to at least twenty percent (20%) of the number of registered voters of the county according to the registration figures as certified by the board of elections on the date the petition is presented to the county board of elections. In calling the special election, the county board of elections shall give at least 30 days' public notice of the election before the closing of the registration books for said election, and the registration books shall close at the same time as for a regular election. A



new registration of voters for such special alcoholic beverage control election is not required, and all qualified electors who are properly registered prior to the registration for the special election, as well as those electors who register for the special alcoholic beverage control election, shall be entitled to vote in the election.

(new paragraph)

Unless otherwise specified in this section, the procedural requirements relating to the petition shall be as provided in G.S. 18A-52(b), (c), (d), and (e), except the question shall be 'FOR' and 'AGAINST' county alcoholic beverage control stores.

If any county, while operating any alcoholic beverage control store under the provisions of Chapters 418 or 493 of the Public Laws of 1935, or under the terms of this Chapter hereafter under the provisions of this Article holds an election and if at this election a majority of the votes are cast "against county alcoholic beverage control stores," then the alcoholic beverage control board in such county shall, within three months from the canvassing of the vote and the declaration of the result thereof, close the stores and shall thereafter cease to operate them. During this period, the county control board shall dispose of all alcoholic beverages on hand, all fixtures, and all other property in the hands and under the control of the county control board and shall convert the same into money and shall, after making a true and faithful accounting, turn all money in its hands over to the general funds of the county.

No election under this section shall be held on the day of any biennial election for county officers, or within 45 days of such an election. The date of any elections held under this section shall be fixed by the board of elections of the county wherein the election is held.

No other election shall be called and held in any of the counties in the State under the provisions of this section within three years from the holding of the last election under this section. In any county in which an election was held either under the provisions of Chapters 418 and 493 of the Public Laws of 1935, an election may be called under the provisions of this section, provided that no such election shall be called within three years of the holding of the last election.

Nothing herein contained shall be so construed as to require counties in which alcoholic beverage control stores have been established under Chapters 418 or 493 of the Public Laws of 1935 to have any further election in order to enable them to establish alcoholic beverage control stores. Counties in which alcoholic beverages control stores are now being operated under Chapters 418 or 493 of the Public Laws of 1935 shall from February 22, 1937, be operated under the terms of this Chapter.

## COMMENTS

Where it seems desirable to do, the Committee has tried to make uniform the provisions of G.S. 18A-51 (ABC elections) and G.S. 18A-52 (malt beverage and wine elections).

In the first sentence of the first paragraph "general laws" has been added before "rules and regulations." In the same sentence "elections for members of the General Assembly" has been deleted and replaced by "elections for county officers, insofar as practicable." The Committee feels that this new provision keying the ABC elections to the same general laws, rules and regulations as for elections for local county officers is better than the old provision keying the ABC elections to rules and regulations concerning elections for state legislators. The same changes are recommended for G.S. 18A-52(e).

Also in the first paragraph, at the end of the first sentence a prohibition of absentee ballots has been added. The prohibition was added to conform G.S. 18A-51 to the current G.S. 18A-52(f).

In the first sentence of the second paragraph "at least fifteen percent (15%) of the registered voters in the county that voted in the last election for Governor" has been deleted and replaced by "a number of voters of the county equal to at least twenty percent (20%) of the number of registered voters of the county according to the registration figures as certified by the board of elections on the date the petition is presented to the county board of elections." The same change in

the percentage requirement is recommended for G.S. 18A-52(f) and for G.S. 18A-15(10); the current G.S. 18A-52(f) already uses registered voters rather than those who voted for Governor. 7

In the second sentence of the second paragraph "20 days' public notice" has been deleted and replaced by "30 days' public notice." This change will conform G.S. 18A-51 to the current G.S. 18A-52(e). Also in this sentence, "opening of the registration books" has been deleted and replaced by "closing of the registration books for said election." We now have full-time registration. 7 The same change to closing the books is recommended for G.S. 18A-52(e). 7

A new third paragraph has been added to G.S. 18A-51 which keys the procedural requirements for petitions to the requirements provided in G.S. 18A-52(b), (c), (d), and (e). The purpose in this recommended change again is uniformity between the ABC election provisions of G.S. 18A-51 and the malt beverage and unfortified wine provisions of G.S. 18A-52.

In the fifth paragraph of the recommended G.S. 18A-51 the old "60 days" restriction on elections has been deleted and replaced by "45 days." This change will conform G.S. 18A-51 to the general election law concerning special elections, G.S. 163-287. 7 The same language change is recommended for G.S. 18A-52(g). 7

7 Since significant alterations have been recommended in G.S. 18A-51, the language of the current statute is carried below for comparison. 7

**§ 18A-51. County elections as to alcoholic beverage control stores.**  
 —No county alcoholic beverage control store shall be established, maintained, or operated in this State, in any county thereof, until and unless there has been held in the county an election under the same rules and regulations that apply to elections for members of the General Assembly. At this election there shall be submitted to the qualified voters of the county the question of setting up and operating in the county an alcoholic beverage control store, or stores, as herein provided. Those favoring the setting up and operation of alcoholic beverage control stores in the county shall mark in the voting square to the left of the words "for county alcoholic beverage control stores" printed on the ballot, and those opposed to setting up and operating alcoholic beverage control stores in the county shall mark in the voting square to the left of the words "against county alcoholic beverage control stores," printed on the same ballot. If a majority of the votes cast in such election shall be for county alcoholic beverage control stores, then an alcoholic beverage control store, or alcoholic beverage control stores, may be set up and operated in the county as herein provided. If a majority of the votes cast at the election are against county alcoholic beverage control stores, then no alcoholic beverage control store shall be set up or operated in the county under the provisions of this Chapter.

The election shall be called in the county by the board of elections of the county only upon the written request of the board of county commissioners therein, or upon a petition to the board of elections signed by at least fifteen percent (15%) of the registered voters in the county that voted in the last election for Governor. In calling for a special alcoholic beverage control election, the county board of elections shall give at least 20 days' public notice of the election before the opening of the registration books, and the registration books shall remain open for the same period of time before the special alcoholic beverage control election as is required by law for them to remain open for a regular election. A new registration of voters for such special alcoholic beverage control election is not required, and all qualified electors who are properly registered prior to the registration for the special election, as well as those electors who register for the special alcoholic beverage control election, shall be entitled to vote in the election.

If any county, while operating any alcoholic beverage control store under the provisions of Chapters 418 or 493 of the Public Laws of 1935, or under the terms of this Chapter hereafter under the provisions of this Article holds an election and if at this election a majority of the votes are cast "against county alcoholic beverage control stores," then the alcoholic beverage control board in such county shall, within three months from the canvassing of the vote and the declaration of the result thereof, close the stores and shall thereafter cease to operate them. During this period, the county control board shall dispose of all alcoholic beverages on hand, all fixtures, and all other property in the hands and under the control of the county control board and shall convert the same into money and shall, after making a true and faithful accounting, turn all money in its hands over to the general funds of the county.

No election under this section shall be held on the day of any biennial election for county officers, or within 60 days of such an election. The date of any elections held under this section shall be fixed by the board of elections of the county wherein the election is held.

No other election shall be called and held in any of the counties in the State under the provisions of this section within three years from the holding of the last election under this section. In any county in which an election was held either under the provisions of Chapters 418 and 493 of the Public Laws of 1935, an election may be called under the provisions of this section, provided that no such election shall be called within three years of the holding of the last election.

Nothing herein contained shall be so construed as to require counties in which alcoholic beverage control stores have been established under Chapters 418 or 493 of the Public Laws of 1935 to have any further election in order to enable them to establish alcoholic beverage control stores. Counties in which alcoholic beverage control stores are now being operated under Chapters 418 or 493 of the Public Laws of 1935 shall from February 22, 1937, be operated under the terms of this Chapter. (1937, c. 49, ss. 25, 26; c. 431; 1971, c. 872, s. 1.)

G.S. 18A-52. Malt beverage and unfortified wine elections in counties or municipalities.--(a) An election shall be called for the purpose of determining whether unfortified wine or malt beverages or both shall be sold in any municipality having a population of 500 or more, according to the last federal census of population, or within the county as a whole, only when the conditions of this Part are complied with.

(b) Such election shall be called in the county or municipality upon written request of the governing body or upon a petition to the appropriate board of elections conducting the election for the county or municipality. If the governing body requests the election, no petition shall be required, but the board of elections shall set a date for the election which shall not be later than 120 days after the written request is filed with the board. Notice of the election as hereinafter provided shall be given. The request shall specify the question or questions and the type of sale to be voted on in the election.

(c) The board of elections shall, upon written request, furnish petition forms to any person wishing to circulate a petition calling for an election on the sale of unfortified wine or malt beverages, or both, as hereinafter authorized. The board of elections shall date the petition, which must be returned to the board within 90 days from the date of delivery to the person; the date of return shall appear on the petition. Failure to return the petition as required shall render it void. Upon issuing the petition, the board of elections shall immediately give public notice that the petition is being circulated in some newspaper having general circulation in the county or municipality where the election is to be held and by posting the notice at three public places within the county or municipality. The notice shall be run at least twice in the newspaper. The person requesting the petition shall pay the cost of the notice.

(d) The board of elections shall call an election upon receipt of a petition which meets the following requirements:

- (1) The petition must contain the genuine signature, address, and precinct name or number of each signer.
- (2) The petition must be signed by a number of voters of the county or municipality equal to at least twenty per cent (20%) of the number of registered voters of the county or municipality according to the registration figures as certified by the board of elections on the date the petition is presented to the board of elections.
- (3) The petition must request that an election be held in the county or the municipality to submit to the voters the question or questions of the legal sale of

unfortified wine or malt beverages, or both. The petition must specify the particular question or questions to be voted on as specified in writing by the person requesting the petition, and whether the sale shall be "on-premises" or "off-premises" or both, or whether "on-premises" sales by Grade A hotels and restaurants only and "off-premises" sales by other licensees.

(4) The petition must show that it was returned to the board of elections within 90 days from the date it was delivered to the person requesting the petition.

(f) The election shall be held under the same general laws, rules and regulations, insofar as practicable, as provided for the election of county or municipal officers wherein the election is being held, but no absentee ballots or markers shall be allowed. The oponents and proponents shall have the right to appoint two watchers to attend each voting place. . . .

(g) No election shall be held under this Part within 45 days of the date of any general, special, or primary election to be held in the county or the municipality in which an election under this Part is held. Provided, however, that an election under this Part may be held, in the discretion of the board of elections. . . .

\* \* \* \* \*

(j) The ballot shall give the voter the opportunity to vote "For" or "Against" the question or questions presented.

If the election is to determine whether unfortified wine is to be sold, the ballot shall contain one or more of the following:

- (1) FOR "on-premises" sales of unfortified wine by Grade A hotels and restaurants only and "off-premises" sales by other licensees.
- AGAINST "on-premises" sales of unfortified wine by Grade A hotels and restaurants only and "off-premises" sales by other licensees.

\* \* \* \* \*

COMMENTS

In subsection (b) "board of elections or other official body conducting the elections of the county or municipality (hereinafter referred to as board of elections)." has been deleted and replaced by "appropriate board of elections conducting the election for the county or municipality." Current

municipal election laws provide for boards of elections in all instances making the "other official body" language unnecessary.

In subdivision (2) of subsection (d) "twenty-five percent (25%)" has been deleted and replaced by "twenty percent (20%)". This change will conform the petition requirement of G.S. 18A-51 with those in G.S. 18A-52(d)(2) and G.S. 18A-15(10).

In the first sentence of subsection (f) "general laws" has been added before "rules and regulations". In the same sentence the reference to "election of members of the General Assembly" has been deleted and replaced by "election of county or municipal officers wherein the election is being held." The Committee feels that it is better to key the elections to the same general laws, rules and regulations as in local elections than to key them to rules and regulations concerning state legislative elections. ∟The same language changes are recommended for G.S. 18A-51.∟

In the first sentence of subsection (g) the old "60 days" restriction on elections has been deleted and replaced by "45 days." This change will conform G.S. 18A-52(g) to the general election law concerning special elections, G.S. 163-287. ∟The same language change is recommended for G.S. 18A-51.∟

In subsection (j) the first sentence has been deleted. The requirement that the ballot be governed by the language of the petition was in conflict with the form presented in

the numbered subdivisions of subsection (j).

Since significant alterations have been recommended for G.S. 18A-52, the language of the current statute is carried below for comparison.]

**§ 18A-52. Malt beverage and unfortified wine elections in counties or municipalities.**—(a) An election shall be called for the purpose of determining whether unfortified wine or malt beverages or both shall be sold in any municipality having a population of 500 or more, according to the last federal census of population, or within the county as a whole, only when the conditions of this Part are complied with.

(b) Such election shall be called in the county or municipality upon written request of the governing body or upon a petition to the board of elections or other official body conducting the elections of the county or municipality (hereinafter referred to as board of elections). If the governing body requests the election, no petition shall be required, but the board of elections shall set a date for the election which shall not be later than 120 days after the written request is filed with the board. Notice of the election as hereinafter provided shall be given. The request shall specify the question or questions and the type of sale to be voted on in the election.

(c) The board of elections shall, upon written request, furnish petition forms to any person wishing to circulate a petition calling for an election on the sale of unfortified wine or malt beverages, or both, as hereinafter authorized. The board of elections shall date the petition, which must be returned to the board within 90 days from the date of delivery to the person; the date of return shall appear on the petition. Failure to return the petition as required shall render it void. Upon issuing the petition, the board of elections shall immediately give public notice that the petition is being circulated in some newspaper having general circulation in the county or municipality where the election is to be held and by posting the notice at three public places within the county or municipality. The notice shall be run at least twice in the newspaper. The person requesting the petition shall pay the cost of the notice.

(d) The board of elections shall call an election upon receipt of a petition which meets the following requirements:

- (1) The petition must contain the genuine signature, address, and precinct name or number of each signer.
- (2) The petition must be signed by a number of voters of the county or municipality equal to at least twenty-five percent (25%) of the number of registered voters of the county or municipality according to the most recent registration figures as certified by the board of elections.
- (3) The petition must request that an election be held in the county or the municipality to submit to the voters the question or questions of the legal sale of unfortified wine or malt beverages, or both. The petition must specify the particular question or questions to be voted on as specified in writing by the person requesting the petition, and whether the sale shall be "on-premises" or "off-premises" or both, or whether "on-premises" sales by Grade A hotels and restaurants only and "off-premises" sales by other licensees.
- (4) The petition must show that it was returned to the board of elections within 90 days from the date it was delivered to the person requesting the petition.



## § 18A-52

(e) The board of elections shall determine the sufficiency of the petition within 30 days after its receipt. If the petition meets the requirements of this Part, the board of elections shall immediately set a date for the election, which shall be held not later than 120 days after the petition is returned to the board of elections. Public notice of the election shall be given by the board of elections 30 days prior to the closing of the registration books. The notice shall be given at least twice in some newspaper having general circulation in the county or municipality where the election is to be held. The person requesting the petition shall pay the cost of the notice before the board causes it to be published.

(f) The election shall be held under the same laws and regulations as provided for the election of members of the General Assembly, insofar as is practicable, but no absentee ballots or markers shall be allowed. The opponents and proponents shall have the right to appoint two watchers to attend each voting place. The persons authorized to appoint watchers shall, three days before the election, submit in writing to the registrar of each precinct a signed list of the watchers appointed for that precinct. The persons appointed as watchers shall be registered voters of the precinct for which appointed. The registrar and judges for the precinct may for any good cause reject any appointee and require that another be appointed. Watchers shall do no electioneering at the voting place nor in any manner impede the voting process, interfere or communicate with or observe any voter in casting his ballot. Watchers shall be permitted in the voting place to make such observation and to take such notes as they may desire. No watcher shall enter the voting enclosure or render assistance to a voter. No new registration shall be required, and all qualified and registered voters shall be entitled to vote in the election.

(g) No election shall be held under this Part within 60 days of the date of any general, special, or primary election to be held in the county or the municipality in which an election under this Part is held. Provided, however, that an election under this Part may be held, in the discretion of the board of elections, on the same day of a general, special, or primary election held within the county or the municipality or an election to determine whether alcoholic beverage control stores shall be established therein.

If an election is to be held pursuant to a special act to determine whether alcoholic beverage control stores shall be operated within a county or municipality, and if there is not sufficient time before the election to comply with the petition or notice requirements of this Part for holding an election on the question or questions authorized by this Part, then the governing body of the county or municipality in which the election relating to the operation of alcoholic beverage control stores is to be held may, in its discretion, direct the board of elections to submit to the voters the question or questions relating to the sale and type of sale of unfortified wine or malt beverages, or both, as authorized by this Part and as specified by the governing body. The question or questions authorized by this Part may be submitted on a separate ballot or placed on the same ballot relating to the operation of alcoholic beverage control stores. Provided, that the governing body shall not exercise the authority conferred by this paragraph within seven days of the day the election relating to alcoholic beverage control stores is to be held. Provided further, that if the governing body exercises the authority conferred by this paragraph, the board of elections shall immediately give public notice in some newspaper having general circulation in the county or municipality in which the election is to be held and by posting said notice in at least three public places within the county or municipality. The notice shall set forth the specific question or questions relating to the sale and type of sale of unfortified wine or malt beverages, or both, that will be submitted to the voters, and whether such question or questions will appear on the same ballot as the questions to determine whether alcoholic beverage control stores shall be established.

(h) Whenever an election has been held pursuant to this Part in any county or municipality, no other election hereunder shall be held in such county or municipality within three years of the preceding election within such county or municipality.

(i) No municipality shall hold an election under this Part unless there has been an election in the county where the municipality is located and the last vote in the county election was against the legal sale of the beverages authorized by this Part.

(j) The ballot shall be governed by the language of the petition. The ballot shall give the voter the opportunity to vote "For" or "Against" the question or questions presented.

If the election is to determine whether unfortified wine is to be sold, the ballot shall contain one or more of the following:

- (1) FOR "on-premises" sales of unfortified wine by Grade A hotels and restaurants only and "off-premises" sales by other licensees.  
AGAINST "on-premises" sales of unfortified wine by Grade A hotels and restaurants only and "off-premises" sales by other licensees.
- (2) FOR "off-premises" sales only of unfortified wine.  
AGAINST "off-premises" sales only of unfortified wine.

If the election is to determine whether malt beverages are to be sold, the ballot shall contain one or more of the following:

- (1) FOR "on-premises" and "off-premises" sales of malt beverages,  
AGAINST "on-premises" and "off-premises" sales of malt beverages,  
or
- (2) FOR "on-premises" sales only of malt beverages,  
AGAINST "on-premises" sales only of malt beverages, or
- (3) FOR "off-premises" sales only of malt beverages,  
AGAINST "off-premises" sales only of malt beverages, or
- (4) FOR "on-premises" sales of malt beverages by Grade A hotels and restaurants only and "off-premises" sales by other licensees,  
AGAINST "on-premises" sales of malt beverages by Grade A hotels and restaurants only and "off-premises" sales by other licensees.

Any one or more of the above questions shall, if requested in the petition, or by the governing body as authorized in subsections (b) and (g), be placed on the same ballot. (1947, c. 1084, ss. 1, 2, 4; 1951, c. 999, ss. 1, 2; 1957, c. 816; 1963, c. 265, ss. 1-3; 1965, c. 506; 1969, c. 647, s. 1; 1971, c. 872, s. 1.)

Appendix I.

Resolution directing the study.

GENERAL ASSEMBLY OF NORTH CAROLINA  
1971 SESSION

I-1

HOUSE RESOLUTION 1590

ADOPTED JULY 21, 1971

Sponsors:

Representative High.

Referred to:

1 A HOUSE RESOLUTION DIRECTING THE LEGISLATIVE RESEARCH COMMISSION  
2 TO STUDY THE EFFECTS OF THE REVISION OF 1971 OF THE  
3 INTOXICATING BEVERAGES LAWS.

4 Now, therefore, be it resolved by the House of Representatives:

5 Section 1. The Legislative Research Commission is  
6 hereby authorized and directed to study the effects on the sale,  
7 use and enforcement of the intoxicating beverages laws in light  
8 of the 1971 revisions of the Alcoholic Control Laws.

9 Sec. 2. The Legislative Research Commission shall  
10 report its findings and recommendations to the 1973 General  
11 Assembly.

12 Sec. 3. This resolution shall become effective upon its  
13 adoption.

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Appendix II.

Listing of Committee meetings  
and  
participants at the meetings.

## Appendix II.

List of meetings and participants, N. C. Legislative Research  
Commission, Committee on Intoxicating BeveragesMeeting Date

1. March 30, 1972 - Organization and orientation; Review of the major statutory changes made by the 1971 North Carolina General Assembly

## Participants:

Mr. Lee P. Phillips, Director of Enforcement  
N. C. Board of Alcoholic Control

Mr. W. Charles Cohoon, Chairman  
N. C. Board of Alcoholic Control

Mr. James W. Pierce, Administrator  
N. C. Board of Alcoholic Control

## Committee Staff:

Mr. Ben Loeb, Assistant Director  
Institute of Government

Mr. William H. Potter, Jr., Director of Research  
Legislative Services Office

(Mr. Loeb and Mr. Potter provided staff assistance  
for the Committee throughout its deliberations.)

2. April 28, 1972 - Discussion of local option election machinery (Revision of GS 18A-51 and 18A-52)

## Participants:

Mr. Larry Ford  
N. C. League of Municipalities

Mr. James F. Bullock, Deputy Attorney General  
N. C. Department of Justice

Mr. Bob Guy, State Director  
U. S. Breweries Association

Mr. Mayne Albright, Trustee  
N. C. Malt Beverage Institute

Mr. Richard Juby  
Distilled Spirits Institute

3. May 18, 1972 - Discussion of law enforcement and local option

Participants:

Mr. W. S. Davis, Chairman  
Law Enforcement Committee  
N. C. Association of ABC Boards

Mr. Lee P. Phillips, Director of Enforcement  
N. C. Board of Alcoholic Control

Mr. Jim Wagoner, Eastern District Supervisor  
N. C. Board of Alcoholic Control

Mr. John Brooks, Western District Supervisor  
N. C. Board of Alcoholic Control

Mr. Tommy Underwood, President  
N. C. ABC Law Enforcement Association

Mr. William H. Anthony, First Vice President Elect  
N. C. ABC Law Enforcement Association

Mr. J. T. Watts, Assistant Chief  
New Hanover ABC Law Enforcement Association

Mr. George McLean  
New Hanover ABC Agent

4. June 2, 1972 - Law Enforcement Drafting

Participant:

Mr. James F. Bullock, Deputy Attorney General  
N. C. Department of Justice

5. June 30, 1972 - Local Option and Law Enforcement Drafting

Participant:

Mr. Lee P. Phillips, Director of Enforcement  
N. C. Board of Alcoholic Control

6. July 28, 1972 - Further Law Enforcement Drafting;  
Hearing on State vs. Local Control,  
Hours of Sale, etc.

Participants:

Mr. Lee P. Phillips, Director of Enforcement  
N. C. Board of Alcoholic Control

Mrs. Christine Y. Denson, Assistant Attorney  
General, N. C. Department of Justice

Mr. B. R. Burgwyn, Past President  
N. C. Association of ABC Boards

Mr. Roney Cates, Director of Education and  
Information, Alamance County Council on  
Alcoholism

7. August 4, 1972 - Drafting concerning Local Board Closing  
Hours, etc.

Participants:

Mrs. Christine Y. Denson, Assistant Attorney  
General, N. C. Department of Justice

Mr. Lee P. Phillips, Director of Enforcement  
N. C. Board of Alcoholic Control

Mr. W. Charles Cohoon, Chairman  
N. C. Board of Alcoholic Control

8. August 25, 1972 - Final Drafting and Committee Report

Participants:

Mr. W. E. LeLoudis, President  
N. C. Association of ABC Boards

Mrs. Christine Y. Denson, Assistant Attorney  
General, N. C. Department of Justice

Mr. Lee P. Phillips, Director of Enforcement  
N. C. Board of Alcoholic Control

Mr. W. Charles Cohoon, Chairman  
N. C. Board of Alcoholic Control



Appendix III.

Major statutory changes in the Intoxicating Beverages laws  
by  
the 1971 General Assembly.

III-1

# INSTITUTE OF GOVERNMENT

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL 27514

## *Memorandum*

TO: L.R.C. Committee on A.B.C. Law

FROM: Ben F. Loeb, Jr.

DATE: February 10, 1972

SUBJECT: 1971 A.B.C. Law Changes

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The 1971 General Assembly enacted a new G.S. Chapter 18A and repealed old Chapter 18. While Chapter 18A is primarily a recodification, several changes of substance were made in the North Carolina A.B.C. Law. Among the more important of these changes are the following:

(1) G.S. 18A-7 (old G.S. 18-32) contains changes relative to the amount of beverages a person must possess to create a prima facie case that he is a bootlegger. Under the new act these amounts have been increased for beer and wine to "more than five gallons of wine", or "more than 20 gallons of malt beverages" (except for those in kegs). Under old Chapter 18, it took more than one gallon of wine, or more than five gallons of beer (or 15 1/2 gallons of draft beer) to establish the prima facie case.

(2) G.S. 18A-10 turns the regulation of liquor advertising over to the State A.B.C. Board for control by regulation. Old Chapter 18 contained several complicated and contradictory statutes concerning advertising, including G.S. 18-3, 18-52, 18-53, 18-54, and 18-55.

(3) G. S. 18A-13 was not contained in old Chapter 18, and was inserted to provide for some State control of liquor by-the-drink

establishments in the event of a successful vote in either Moore or Mecklenburg. The Moore and Mecklenburg local acts did not provide for any State control whatsoever.

(4) G.S. 18-17(14) requires local A.B.C. boards to spend at least 7% of profits on alcohol education and rehabilitation. Under old G.S. 18-45 expenditures for these purposes were authorized but not required.

(5) G.S. 18A-19(b) gives State A.B.C. Officers general arrest powers. Under old G.S. 18-39.2 their jurisdictions was limited to liquor law type violations.

(6) G.S. 18A-23 provides that search warrants for liquor law violations are to be obtained pursuant to G.S. Chapter 15, just as any other search warrant. Old Chapter 18 had its own search warrant provisions set out in G.S. 18-13.

(7) G.S. 18A-25 prohibits A.B.C. store employees from selling to any person a larger quantity of alcoholic beverages than he can legally transport. There was no such provision in old Chapter 18. However, old G.S. 18-46 did prohibit sales to persons who had been convicted of public drunkenness, driving under the influence, etc. These provisions were considered unenforceable and were not included in the new act.

(8) G.S. 18A-30(6) prohibits brown-bagging from 1:30 a.m. (or 2:30 a.m. during Daylight Saving Time) to 7:00 a.m. the next morning (or until 1:00 p.m. on Sundays). Old Chapter 18 did not contain any restrictions on brown-bagging and theoretically, at least,

consumption could take place 24 hours a day, 365 days per year on the licensed premises.

(9) G.S. 18A-33 (old Article 7) provides that malt beverage and wine sales must terminate by 1:00 a.m. (or 2:00 a.m. during Daylight Saving Time) and consumption on the licensed premises must cease by 1:30 a.m. (or 2:30 a.m. during Daylight Saving Time). During the week-days sales may resume at 7:00 a.m., but on Sundays sales may not resume until 1:00 p.m. Under old Chapter 18, sales had to cease by 11:45 p.m. and consumption on the licensed premises had to end by midnight. Sunday sales were permitted on a local-option basis and could be totally prohibited in a given municipality or county by the enactment of a local ordinance. Sunday sales may still be prohibited by local ordinance, except in the case of those establishments selling beer or wine and also having a brown-bag permit; under new G.S. 18A-33(b) a local ordinance relative to Sunday sales has no effect on an establishment holding a brown-bag permit.

(10) G.S. 18A-34(d) puts a 20-gallon limit on the amount of malt beverages (other than draft beer in kegs) that may be sold to a person at one time. Old Chapter 18 did not limit the quantity of beer which could be purchased; but the State A.B.C. Board by regulation prohibited retail beer permittees from selling over five gallons to a person at one time.

(11) G.S. 18A-35 provides for a "Purchase Permit", allowing an individual to purchase up to five gallons of unfortified wine at one time. (Without this permit only one gallon may be purchased at one time.) Old Chapter 18 provided for permits authorizing the purchase of up to five gallons of hard liquor or fortified wine,

but did not provide for a five-gallon permit for unfortified wine.

(12) G.S. 18A-35(g) provides that a person may purchase outside North Carolina and bring into the state the same quantity of malt beverages or unfortified wine as he may legally purchase within this state. Old G. S. 18-58 provided that a person could bring into N.C. up to one gallon of alcoholic beverages purchased outside the state; but the old act was silent with respect to the quantity of beer or unfortified wine that could be so purchased. This omission in Chapter 18 caused considerable confusion.

(13) G.S. 18A-40(a) prohibits retail malt beverage or wine permits for premises located upon the campus of any public school or college. Old G. S. 18-87 prohibited beer and wine permits for private schools and colleges as well.

(14) G.S. 18A-40(c) prohibits retail malt beverage or wine permits for premises located within 50 feet of a church or public school, unless the State A.B.C. Board conducts an investigation and makes an exception. Old G.S. 18-76 and 18-77 had set absolute limitations in this regard; and in some cases no permit could be issued for premises located within 50 feet of a church or school, while in other instances the required distance was 300 feet. The new act, in effect, would permit a tavern to be located next door to a church or school provided permission of the State A.B.C. Board could be obtained.

Several sections of old Chapter 18 were not carried forward into new Chapter 18A. Among the sections deleted were old G.S. 18-116.2, which had authorized local A.B.C. Boards to revoke wine

permits and to limit wine sales exclusively to A.B.C. stores; and old G.S. 18-116.4, which had authorized local A.B.C. Boards to restrict the days and hours of wine sales.

The tax and revenue provisions relative to intoxicating liquors, which had been contained in old Chapter 18, have been put in a new Article 2C of Chapter 105, along with other State Revenue Laws.

Chapter 18A, in addition to repealing old Chapter 18, also repealed several sections of G.S. Chapter 14 (Criminal Laws) relating to intoxicating liquors. Among the sections repealed were the following:

(1) G.S. 14-327 and G.S. 14-328, relative to the adulteration of liquor, because these 1858-59 acts are not needed under the present control system. (The State A.B.C. Board must approve all spirituous liquors sold in this State.)

(2) G.S. 14-330, relative to liquor sales near "political speakings," because this 1879 act has been completely superseded by G. S. 18A-15(10)

(3) G. S. 14-331 and G. S. 14-332, relative to liquor consumption by minors, because these sections have been superseded by G.S. 18A-8.

Appendix IV.

Three-year comparison of Beer and Wine permit data.

(There has been a sizeable increase in some of these areas. For instance, in calendar year 1969 the ABC Board issued 1,621 wine permits, while in 1971 they issued 2,840. This could be a result of the new law allowing wine to be sold outside of ABC stores in all counties.)

**THREE-YEAR COMPARISON  
OF  
BEER AND WINE PERMITS ISSUED  
BEER AND WINE PERMITS CANCELED  
APPLICATIONS REJECTED  
HEARINGS HELD  
BOARD ACTIONS**

	<u>1969</u>	<u>1970</u>	<u>1971</u>
<u>PERMITS ISSUED</u>			
Beer	2627	2712	3112
Wine	<u>1621</u>	<u>1821</u>	<u>2840</u>
Total	4248	4533	5952
<u>PERMITS CANCELLED</u>			
Beer	2003	2116	2214
Wine	<u>1072</u>	<u>1146</u>	<u>1304</u>
Total	3075	3262	3518
<u>APPLICATIONS REJECTED</u>			
Beer	262	255	257
Wine	<u>81</u>	<u>83</u>	<u>102</u>
Total	343	338	359
<u>HEARINGS HELD</u>			
Rejection Cases	94	79	130
Violation Cases	<u>196</u>	<u>319</u>	<u>346</u>
Total	290	398	476
<u>BOARD ACTIONS</u>			
Revocations	33	58	46
Suspensions	92	163	194
Cancelations	6	7	11
Reprimands	53	79	90
Dismissals	11	11	23
Rejection Cases Approved	70	47	68
Rejection Cases Disapproved	24	32	43
Prayer for Judgement	1	0	0
Judgement Suspended	0	1	0
Rejection Case Withdrawn	<u>0</u>	<u>0</u>	<u>1</u>
Total	290	398	476



Appendix V.

1970-71 and 1971-72 fiscal year comparisons  
of  
Malt Beverage and Wine tax collections.

(Note that each month of FY 1971-72 shows a substantial increase in collections over the corresponding month of FY 1970-71. As there have been no tax increases during the period covered, the increased collections indicate increased sales.)

## MALT BEVERAGE &amp; WINE TAX COLLECTIONS

Fiscal Year 1970-71

<u>Month</u>	<u>Beer</u>	<u>Fortified Wine</u>	<u>Unfortified Wine</u>
July	\$2,782,819	\$129,780	\$58,985
August	2,841,518	128,330	58,499
September	2,623,561	118,550	59,099
October	2,659,652	124,997	60,367
November	2,309,734	128,292	68,187
December	2,084,189	132,674	80,661
January	2,305,312	161,169	119,123
February	1,828,071	116,659	67,501
March	1,842,250	144,435	73,732
April	2,338,236	160,811	99,809
May	2,584,690	136,623	96,306
June	2,638,685	132,863	92,002

Fiscal Year 1971-72

<u>Month</u>	<u>Beer</u>	<u>Fortified Wine</u>	<u>Unfortified Wine</u>
July	\$3,007,792	\$131,352	\$102,259
August	3,078,744	131,334	101,107
September	3,029,661	125,519	91,433
October	2,822,220	136,368	114,383
November	2,462,710	133,366	109,621
December	2,510,871	147,244	136,536
January	2,545,635	177,454	171,864

Appendix VI.

Three-year comparison of Board of Alcoholic Control  
Investigative Division activity.

INVESTIGATIVE DIVISION  
ACTIVITY REPORT  
YEAR OF 1969

NEW DEFENDANTS (FIRST BUYS)	<u>957</u>
BACK-UP BUYS (SECOND BUYS)	<u>404</u>
TOTAL NUMBER FIRST & SECOND BUYS	<u>1361</u>
 WHOLESALE BUYS	 <u>17</u>
CONVICTIONS IN STATE COURT	<u>745</u>
CONVICTIONS IN FEDERAL COURT	<u>10</u>
TOTAL CONVICTIONS IN STATE & FEDERAL COURT	<u>755</u>
 TOTAL ACQUITTALS IN STATE & FEDERAL COURT	 <u>27</u>
TOTAL DEFENDANTS WAITING FOR TRIAL	<u>171</u>
 FINES & COSTS IN STATE COURT	 <u>\$ 85,834.75</u>
FINES IN FEDERAL COURT	<u>160.00</u>
TOTAL FINES & COSTS IN STATE & FEDERAL COURT	<u>\$ 86,154.75</u>
 ACTIVE SENTENCES IN STATE COURT	 <u>47 yrs. 3 mos.</u>
ACTIVE SENTENCES IN FEDERAL COURT	<u>5 yrs. 5 mos. &amp; 1 DAY</u>
TOTAL ACTIVE SENTENCES IN STATE & FED. COURT	<u>52 yrs. 8 mos. &amp; 1 DAY</u>
 SUSPENDED SENTENCES IN STATE COURT	 <u>1137 yrs. 3 mos.</u>
SUSPENDED SENTENCES IN FEDERAL COURT	<u>16 yrs. mos.</u>
TOTAL SUSPENDED SENTENCES IN STATE & FEDERAL COURT	<u>1153 yrs. 3 mos.</u>
 ABC BOARD HEARINGS ATTENDED	 <u>24</u>
ABC PERMITS SUSPENDED OR REVOKED RESULTING FROM HEARINGS	<u>14</u>
 CARS OR VEHICLES SEIZED	 <u>1</u>
APPROXIMATE VALUE OF VEHICLES	<u>\$ 100.00</u>
SPECIAL ASSIGNMENTS (OTHER THAN REGULAR ASSIGNMENTS)	<u>11</u>

CAMPAIGNS WERE CONDUCTED IN 34 COUNTIES AND 23 CITIES AND TOWNS AND ARE LISTED BELOW:

<u>COUNTIES WORKED</u>	<u>CITIES AND/OR TOWNS WORKED</u>
Martin	Franklin
New Hanover	Lee
Durham	Johnson
Nash	Watauga
Edgecombe	Guilford
Orange	Wayne
Rockingham	Wake
Caldwell	Forsyth
Burke	Harnett
McDowell	Carteret
Rowan	Cumberland
Mecklenburg	Camden
Watauga	Vance
Pamlico	Charlotte
Craven	New Bern
Wilkes	Jacksonville
Cabarrus	Albemarle
Rockingham	Salisbury
Onslow	Reidsville
Stanly	Lumberton
Robeson	Rowland
	Red Springs
	Fayetteville
	Bayboro
	Henderson
	Eden
	Wilkesboro
	Concord
	Greensboro
	Winston-Salem
	Rocky Mt.
	Sanford
	High Point
	Smithfield
	Selma
	Benson

/s/ L. O. Godwin  
L. O. Godwin  
Supervisor

INVESTIGATIVE DIVISION  
ACTIVITY REPORT  
YEAR OF 1970

NEW DEFENDANTS FOR YEAR (FIRST BUYS)	1189
BACK-UP BUYS FOR YEAR (SECOND BUYS)	<u>421</u>
TOTAL NUMBER FIRST & SECOND BUYS	<u>1610</u>
WHOLESALE BUYS FOR MONTH YEAR	<u>17</u>
CONVICTIONS IN STATE COURT DURING YEAR	666
CONVICTIONS IN FEDERAL COURT DURING YEAR	<u>3</u>
TOTAL CONVICTIONS IN STATE & FEDERAL COURT	<u>669</u>
TOTAL ACQUITTALS IN STATE & FEDERAL COURT	<u>17</u>
TOTAL DEFENDANTS WAITING FOR TRIAL	<u>315</u>
FINES & COSTS IN STATE COURT	\$ 93,293.75
FINES IN FEDERAL COURT	<u>1,500.00</u>
TOTAL FINES & COSTS IN STATE & FEDERAL COURT	<u>\$ 94,793.75</u>
ACTIVE SENTENCES IN STATE COURT	<u>28</u> yrs. <u>11</u> mos.
ACTIVE SENTENCES IN FEDERAL COURT	<u>1</u> yrs. <u>4</u> mos.
TOTAL ACTIVE SENTENCES IN STATE & FEDERAL COURT	<u>30</u> yrs. <u>3</u> mos.
SUSPENDED SENTENCES IN STATE COURT	<u>1049</u> yrs. <u>11</u> mos.
SUSPENDED SENTENCES IN FEDERAL COURT	<u>1</u> yrs. <u>4</u> mos.
TOTAL SUSPENDED SENTENCES IN STATE & FEDERAL COURT	<u>1051</u> yrs. <u>3</u> mos.
ABC BOARD HEARINGS ATTENDED	<u>24</u>
ABC PERMITS SUSPENDED OR REVOKED RESULTING FROM HEARINGS	<u>23</u>
CARS OR VEHICLES SEIZED	<u>6</u>
APPROXIMATE VALUE OF VEHICLES	<u>\$13,500.00</u>
SPECIAL ASSIGNMENTS (OTHER THAN REGULAR ASSIGNMENTS)	<u>4</u>

Campaigns were conducted in 36 counties and \_\_\_\_\_ cities and towns and are listed below:

<u>Counties Worked</u>		<u>Cities and/or Towns Worked</u>
Beaufort	Vance	Moore
Rockingham	Robeson	Gaston
Wake	Washington	Ashe
Caldwell	Durham	Lee
Burke	Catawba	Northampton
Rowan	Greene	Bertie
Martin	Pitt	
New Hanover	Chowan	
Mecklenburg	Perquimans	
Sampson	Lenoir	
Iredell	Guilford	
Watauga	Hoke	
Anson	Forsyth	
Stanly	Scotland	
Wayne	Cumberland	

/s/ L. O. Godwin  
Loyd O. Godwin  
Supervisor

INVESTIGATIVE DIVISION  
ACTIVITY REPORT  
1971

VI-3

NEW DEFENDANTS FOR YEAR (FIRST BUYS)	1227
BACK-UP BUYS FOR YEAR (SECOND BUYS)	<u>315</u>
TOTAL NUMBER FIRST & SECOND BUYS	1542
WHOLESALE BUYS FOR YEAR	48
CONVICTIONS IN STATE COURT DURING YEAR	939
CONVICTIONS IN FEDERAL COURT DURING YEAR	<u>19</u>
TOTAL CONVICTIONS IN STATE & FEDERAL COURT	958
TOTAL ACQUITTALS IN STATE & FEDERAL COURT	39
TOTAL DEFENDANTS WAITING FOR TRIAL	322
FINES & COSTS IN STATE COURT	\$ 151,067.75
FINES IN FEDERAL COURT	<u>00</u>
TOTAL FINES & COSTS IN STATE & FEDERAL COURT	\$ 151,067.75
ACTIVE SENTENCES IN STATE COURT	19 yrs. 9 mos.
ACTIVE SENTENCES IN FEDERAL COURT	<u>8 yrs. 9 mos.</u>
TOTAL ACTIVE SENTENCES IN STATE & FEDERAL COURT	28 yrs. 6 mos.
SUSPENDED SENTENCES IN STATE COURT	1203 yrs. 7 mos.
SUSPENDED SENTENCES IN FEDERAL COURT	<u>10 yrs. 0 mos.</u>
TOTAL SUSPENDED SENTENCES IN STATE & FEDERAL COURT	1213 yrs. 7 mos.
ABC BOARD HEARINGS ATTENDED	17
ABC PERMITS SUSPENDED OR REVOKED RESULTING FROM HEARINGS	19
CARS OR VEHICLES SEIZED DURING YEAR	17
APPROXIMATE VALUE OF VEHICLES	\$ 21,350.00
SPECIAL ASSIGNMENTS (OTHER THAN REGULAR ASSIGNMENTS)	6

Campaigns were conducted in 38 counties and      cities and towns this year and are listed below:

<u>Counties Worked</u>	<u>Cities and/or Towns Worked</u>
Hoke	Chatham     Greene
Lee	Wilson     Currituck
Cumberland	Alamance     Pasquotank
Sampson	Rockingham     Camden
Durham	Mecklenburg     Orange
Rowan	New Hanover     Pitt
Guilford	Brunswick     Halifax
Buncombe	Carteret     Person
Bertie	Iredell     Union
Forsyth	Cabarrus     Wilkes
Moore	Davie     Stanley
Davidson	Edgecombe     Gaston
Yadkin	Nash

Lloyd O. Godwin  
Supervisor

Appendix VII.

Three-year comparison of Brown Bagging application  
and  
temporary permit activity.

BROWN BAGGING APPLICATION AND TEMPORARY PERMIT ACTIVITY REPORT Annual 1969

## APPLICATION FEES

Amount received \$ 135,000.00  
 Amount refunded (Due to Overpayment) \$ 975.00

## APPLICATIONS REQUESTED

Social Establishments	<u>295</u>
Special Occasions	<u>307</u>
Restaurants & Related Places	<u>401</u>
Total	<u>1003</u>

## APPLICATIONS SENT TO ABC OFFICERS FOR INVESTIGATION

Social Establishments	<u>138</u>
Special Occasions	<u>125</u>
Restaurants & Related Places	<u>221</u>
Total	<u>484</u>

## APPLICATIONS REJECTED

Social Establishments	<u>20</u>
Special Occasions	<u>3</u>
Restaurants & Related Places (Seating capacity less than 50)	<u>9</u>
(Seating capacity 50 or more)	<u>3</u>
Total	<u>35</u>

## PERMITS

	ISSUED	BROUGHT FORWARD	ISSUED TO DATE
Social Establishments	<u>139</u>	<u>594</u>	<u>733</u>
Special Occasions	<u>117</u>	<u>593</u>	<u>710</u>
Restaurants & Related Places (Seating capacity less than 50)	<u>29</u>	<u>65</u>	<u>94</u>
(Seating capacity 50 or more)	<u>193</u>	<u>595</u>	<u>788</u>
Total	<u>478</u>	<u>1847</u>	<u>2325</u>



BROWN BAGGING APPLICATION AND TEMPORARY PERMIT ACTIVITY REPORT ANNUAL, 1970

## APPLICATION FEES

Amount Received \$ 153,300.00  
 Amount Refunded \$ 1,775.00 (Due to overpayment)

## APPLICATIONS REQUESTED

Social Establishments	<u>382</u>
Special Occasions	<u>326</u>
Restaurants & Related Places	<u>388</u>
Total	<u>1096</u>

## APPLICATIONS SENT TO ABC OFFICERS FOR INVESTIGATION

Social Establishments	<u>233</u>
Special Occasions	<u>146</u>
Restaurants & Related Places	<u>230</u>
Total	<u>609</u>

## APPLICATIONS REJECTED

Social Establishments	<u>22</u>
Special Occasions	<u>5</u>
Restaurants & Related Places (Seating capacity less than 50)	<u>7</u>
(Seating capacity 50 or more)	<u>5</u>
Total	<u>39</u>

## PERMITS

	ISSUED	BROUGHT FORWARD	ISSUED TO DATE
Social Establishments	<u>207</u>	<u>733</u>	<u>940</u>
Special Occasions	<u>120</u>	<u>710</u>	<u>830</u>
Restaurants & Related Places (Seating capacity less than 50)	<u>32</u>	<u>94</u>	<u>126</u>
(Seating capacity 50 or more)	<u>169</u>	<u>788</u>	<u>957</u>
Total	<u>528</u>	<u>2325</u>	<u>2853</u>

BROWN BAGGING APPLICATION AND TEMPORARY PERMIT ACTIVITY REPORT ANNUAL 19 71

## APPLICATION FEES

Amount received \$ 184,330.00  
 Amount Refunded (Due to overpayment) \$ 1,705.50

## APPLICATIONS REQUESTED

Social Establishments	<u>475</u>
Special Occasions	<u>389</u>
Restaurants & Related Places	<u>517</u>
Total	<u>1381</u>

## APPLICATIONS SENT TO ABC OFFICERS FOR INVESTIGATION

Social Establishments	<u>289</u>
Special Occasions	<u>175</u>
Restaurants and Related Places	<u>291</u>
Total	<u>755</u>

## APPLICATIONS REJECTED

Social Establishments	<u>41</u>
Special Occasions	<u>9</u>
Restaurants & Related Places (Seating capacity less than 50)	<u>5</u>
(Seating capacity 50 or more)	<u>9</u>
Total	<u>64</u>

## PERMITS

	ISSUED	BROUGHT FORWARD	ISSUED TO DATE
Social Establishments	<u>240</u>	<u>940</u>	<u>1180</u>
Special Occasions	<u>133</u>	<u>830</u>	<u>963</u>
Restaurants & Related Places (Seating capacity less than 50)	<u>30</u>	<u>126</u>	<u>156</u>
(Seating capacity 50 or more)	<u>224</u>	<u>957</u>	<u>1181</u>
Total	<u>627</u>	<u>2853</u>	<u>3480</u>

Appendix VIII.

Three-year comparison of Brown Bagging annual permit activity.

## BROWN BAGGING ANNUAL PERMIT ACTIVITY REPORT

Annual 1969

Social Establishments (SE)

Special Occasions (SO)

Restaurants &amp; Related Places - Seating Capacity less than 50 (RP)

Restaurants &amp; Related Places - Seating Capacity 50 or more (RPF)

	SE	SO	RP	RPF	TOTAL
ISSUED	<u>140</u>	<u>121</u>	<u>20</u>	<u>183</u>	<u>464</u>
CANCELED	<u>43</u>	<u>40</u>	<u>10</u>	<u>76</u>	<u>169</u>
REVOKED	<u>7</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>9</u>
GAINED	<u>90</u>	<u>80</u>	<u>9</u>	<u>107</u>	<u>286</u>
BROUGHT FORWARD	<u>488</u>	<u>534</u>	<u>41</u>	<u>511</u>	<u>1574</u>
OUTSTANDING	<u>578</u>	<u>614</u>	<u>50</u>	<u>618</u>	<u>1860</u>
 <u>HEARINGS HELD</u>					
REJECTIONS	<u>7</u>	<u>1</u>	<u>3</u>	<u>3</u>	<u>14</u>
VIOLATIONS	<u>21</u>	<u>7</u>	<u>2</u>	<u>10</u>	<u>40</u>
 <u>BOARD ACTION</u>					
REVOKED	<u>7</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>9</u>
SUSPENDED	<u>6</u>	<u>1</u>	<u>1</u>	<u>3</u>	<u>11</u>
CANCELED	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>3</u>
REPRIMANDED	<u>5</u>	<u>3</u>	<u>0</u>	<u>5</u>	<u>13</u>
DISMISSED	<u>1</u>	<u>2</u>	<u>0</u>	<u>1</u>	<u>4</u>
REJECTIONS APPROVED	<u>6</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>11</u>
REJECTIONS DISAPPROVED	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>3</u>

## BROWN BAGGING ANNUAL PERMIT ACTIVITY REPORT

ANNUAL, 1970

Social Establishments (SE)  
 Special Occasions (SO)  
 Restaurants & Related Places - Seating capacity less than 50 (RP)  
 Restaurants & Related Places - Seating capacity 50 or more (RPF)

	SE	SO	RP	RPF	TOTAL
ISSUED	181	122	24	175	502
CANCELED	81	78	17	137	313
REVOKED	12	0	0	2	14
GAINED	88	44	7	36	175
BROUGHT FORWARD	578	614	50	618	1860
OUTSTANDING	666	658	57	654	2035
<u>HEARINGS HELD</u>					
REJECTIONS	7	3	1	2	13
VIOLATIONS	34	7	0	10	51
<u>BOARD ACTION</u>					
REVOKED	12			2	14
SUSPENDED	9	2		2	13
CANCELED	1				1
REPRIMANDED	11	4		5	20
DISMISSED	1	1			2
REJECTIONS APPROVED	5	1	1	1	8
REJECTIONS DISAPPROVED	2	2		1	5
JUDGMENT SUSPENDED				1	1

## BROWN BAGGING ANNUAL PERMIT ACTIVITY REPORT

ANNUAL 19 71

Social Establishments (SE)  
 Special Occasions (SO)  
 Restaurants & Related Places - Seating capacity less than 50 (RP)  
 Restaurants & Related Places - Seating capacity 50 or more (RPF)

	SE	SO	RP	RPF	TOTAL
ISSUED	192	122	26	207	547
CANCELED	110	82	18	133	343
REVOKED	7	1	1	2	11
GAINED	75	39	7	72	193
BROUGHT FORWARD	666	658	57	654	2035
OUTSTANDING	741	697	64	726	2228
<u>HEARINGS HELD</u>					
REJECTIONS	25	5	0	5	35
VIOLATIONS	21	5	1	8	35
<u>BOARD ACTION</u>					
REVOKED	7	1	1	2	11
SUSPENDED	20	2	1	3	26
CANCELED	4	0	1	0	5
REPRIMANDED	6	5	0	4	15
DISMISSED	4	0	0	1	5
REJECTIONS APPROVED	14	3	0	1	18
REJECTIONS DISAPPROVED	11	2	0	4	17
OFFENSES	66	13	3	15	97