GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 11
PROPOSED COMMITTEE SUBSTITUTE H11-CSSAxfry-2 [v.1]
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Short Title: Regulate Alcohol Consumables. (Public)

Sponsors:

Referred to:

January 28, 2021

A BILL TO BE ENTITLED

AN ACT TO REGULATE ALCOHOL IN MANUFACTURED FOOD PRODUCTS SUCH AS ICE CREAM, ICE POPS, GUM, AND GELATIN.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-101 reads as rewritten:

"**§ 18B-101. Definitions.**

As used in this Chapter, unless the context requires otherwise:

…

(4) "Alcoholic beverage" means any beverage containing at least one-half of one percent (0.5%) alcohol by volume, including malt beverages, unfortified wine, fortified wine, spirituous liquor, ~~and mixed beverages.~~mixed beverages, and any alcohol consumable.

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

…

(7) "Fortified wine" means any ~~wine, of~~ wine or alcohol consumable containing more than sixteen percent (16%) and no more than twenty-four percent (24%) alcohol by volume, made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States.

…

(9) "Malt beverage" means beer, lager, malt liquor, ale, porter, and any other brewed or fermented beverage or alcohol consumable except unfortified or fortified wine as defined by this Chapter, containing at least one-half of one percent (0.5%), and not more than fifteen percent (15%), alcohol by volume. Any malt beverage containing more than six percent (6%) alcohol by volume shall bear a label clearly indicating the alcohol content of the malt beverage.

…

(14) "Spirituous liquor" or "liquor" means distilled spirits or ethyl alcohol, and any alcohol consumable containing distilled spirits or ethyl alcohol, including spirits of wine, whiskey, rum, brandy, gin and all other distilled spirits and mixtures of cordials, liqueur, and premixed cocktails, in closed containers ~~for beverage use~~ regardless of their dilution.

…

(15) "Unfortified wine" means any wine ~~of~~ or alcohol consumable containing sixteen percent (16%) or less alcohol by volume made by fermentation from grapes, fruits, berries, rice, or honey; or by the addition of pure cane, beet, or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice, or honey that is contained in the base wine and produced in accordance with the regulations of the United States."

SECTION 2. G.S. 18B-206(a) reads as rewritten:

"(a) Authority to Set Standards. – The Commission may set standards and adopt rules for ~~malt beverages, unfortified wine, fortified wine, and spirituous liquor~~ alcoholic beverages to protect the public against alcoholic beverages containing harmful or impure substances, alcoholic beverages containing an improper balance of substances as determined by the Commission, spurious or imitation alcoholic beverages, and alcoholic beverages unfit for human consumption. In setting standards and in issuing rules relating to them, the Commission may follow federal guidelines for standards of identity, labeling and advertising contained in Title 27 of the Code of Federal Regulations, or may adopt more restrictive standards."

SECTION 3. G.S. 18B-804(b) reads as rewritten:

"(b) Sale Price of Spirituous Liquor. – The sale of spirituous liquor, including antique spirituous liquor, sold at the uniform State price shall consist of the following components:

…

(6) A ~~bottle~~ charge of one cent (1¢) on each bottle containing 50 milliliters or less and five cents (5¢) on each bottle containing more than 50 milliliters. For any nonbottled product, a charge of one cent (1¢) on each stock keeping unit containing not more than 50 milliliters and five cents (5¢) on each stock keeping unit containing more than 50 milliliters.

…

(6b) An additional ~~bottle~~ charge for local boards of one cent (1¢) on each bottle containing 50 milliliters or less and five cents (5¢) on each bottle containing more than 50 milliliters. For any nonbottled product, a charge of one cent (1¢) on each stock keeping unit containing not more than 50 milliliters and five cents (5¢) on each stock keeping unit containing more than 50 milliliters.

…."

SECTION 4. G.S. 18B-805 reads as rewritten:

"**§ 18B-805. Distribution of revenue.**

…

(b) Primary Distribution. – Before making any other distribution, a local board shall first pay the following from its gross receipts:

…

(4) Each month the local board shall pay to the county commissioners of the county where the charge is collected the proceeds from the ~~bottle~~ charge required by G.S. 18B-804(b)(6), to be spent by the county commissioners for the purposes stated in subsection (h) of this section.

(c) Other Statutory Distributions. – After making the distributions required by subsection (b), a local board shall make the following quarterly distributions from the remaining gross receipts:

(1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 1/2%) markup provided for in G.S. 18B-804(b)(5) and the ~~bottle~~ charge provided for in G.S. 18B-804(b)(6b), to be distributed as part of the remaining gross receipts under subsection (e) of this section.

…."

SECTION 5. Section 1 of this act becomes effective December 1, 2021, and applies to offenses committed on or after that date. Sections 3 and 4 of this act become effective December 1, 2021, and apply to spirituous liquor sold on or after that date. The remainder of this act becomes effective December 1, 2021.