# HOUSE BILL 328

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| Short Title: | Allow Trade or Exchange of Spirituous Liquor. | (Public) |
| Sponsors: | Representatives Moffitt, Bradford, Dahle, and Hardister (Primary Sponsors).<br>*For a complete list of sponsors, refer to the North Carolina General Assembly web site.* | |
| Referred to: | Judiciary 1, if favorable, Alcoholic Beverage Control, if favorable, Rules, Calendar, and Operations of the House | |

March 18, 2021

A BILL TO BE ENTITLED

AN ACT TO ALLOW CERTAIN TRADES OR EXCHANGES OF LAWFULLY PURCHASED SPIRITUOUS LIQUOR WITHOUT OBTAINING A PERMIT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 18B-103 reads as rewritten:

"**§ 18B-103. Exemptions.**

~~The~~ All of the following activities shall be permitted:

(1) The use of ethyl alcohol for scientific, chemical, pharmaceutical, mechanical, and industrial ~~purposes;~~purposes.

(2) The use of ethyl alcohol by persons authorized to obtain it tax free, as provided by federal ~~law;~~law.

(3) The use of ethyl alcohol in the manufacture and preparation of any product unfit for use as a ~~beverage;~~beverage.

(4) The use of alcoholic beverages by licensed physicians, druggists, or dental surgeons for medicinal or pharmaceutical purposes; or the use of alcoholic beverages by medical facilities established and maintained for the treatment of patients addicted to the use of alcohol or ~~drugs;~~drugs.

(5) The use of grain alcohol by college, university or State laboratories, and by manufacturers of medicine, for compounding, mixing, or preserving medicines or medical preparations, or for surgical ~~purposes;~~purposes.

(5a) The manufacture, possession, and consumption of alcoholic beverages for the purpose of conducting scientific, chemical, pharmaceutical, mechanical, industrial, and educational research in connection with teaching, research, or extension programs conducted by, or under the supervision of, an instructor at an accredited community college, public or private college or university, or an extension agent in connection with educational programs and activities offered by the North Carolina Cooperative Extension ~~Service;~~Service.

(6) The manufacture, importation, and possession of denatured alcohol produced and used as provided by federal ~~law;~~law.

(7) The manufacture or sale of cider or ~~vinegar;~~vinegar.

(8) The possession and use of unfortified wine or fortified wine for sacramental purpose by any organized church or ordained minister, including in public school buildings when the use of those buildings is approved by the local school ~~board;~~board.

(9) The possession and use of alcohol acquired for controlled-drinking programs as authorized under ~~G.S. 20-139.1(g);~~G.S. 20-139.1(g).

(10) The use of spirituous liquor in the manufacture of flavors or flavoring extracts that are unfit for beverage ~~use;~~use.

(11) Under the direct supervision of an instructor during a culinary class that is part of an established culinary curriculum at an accredited college or university, the delivery to or possession or consumption by a student who is less than 21 years of age, when the student is required to taste or imbibe the alcoholic beverage during a culinary class conducted pursuant to the curriculum.

(12) The trade or exchange of lawfully purchased spirituous liquor if all of the following requirements are met:

a. The transaction only involves the trade or exchange of lawfully purchased spirituous liquor for other lawfully purchased spirituous liquor.

b. The trade or exchange is only between individuals, for personal use only, and not for resale.

c. The spirituous liquor to be traded or exchanged is or has been approved by the Commission for sale in this State and is not unfit for human consumption."

**SECTION 2.** The Alcoholic Beverage Control Commission shall adopt temporary rules to implement the provisions of this act. Temporary rules adopted in accordance with this section shall remain in effect until permanent rules that replace the temporary rules become effective.

**SECTION 3.** This act becomes effective October 1, 2021, and applies to trades or exchanges made on or after that date.