



NC Craft Beer Legislative + Regulatory Progress 2005 to Present

2023:

- [Senate Bill 91](#) - signed into law July 10, 2023
SB 91 enacted an ABC technical correction, allowing breweries to hold an NC ABC Mixed Beverage (bar) retail permit. This permit allows brewery taprooms to sell mixed beverages (cocktails) for on-premises consumption. The law took effect August 1st, 2023.
- **On-Premise Permit Cancellations:** On May 9, 2023, NC ABC retail permits that had not yet been renewed (annual renewals are due April 30th) were canceled en masse. Hundreds of on-premise permit holders were impacted statewide, and ordered to close their retail premises. The Guild worked with NC ABC Commissioner Hank Bauer to find a mutually acceptable solution that would allow our companies to remain open for business and compliant with ABC law. As a result, the Commission granted an extension of the renewal deadline to May 31, 2023.

2022:

- In 2022, the craft beer industry was impacted by extreme delays in label and product approval processing by the NC Alcohol Beverage Commission (NC ABC), at times exceeding 8 weeks. The Guild successfully worked with NC ABC Commissioner Hank Bauer to remediate the situation, and begin improving the processing times.

2021:

- [ABC Omnibus Bill: HB 890](#) - signed into law Sept. 10, 2021
In large part, HB890 provided increased parity for distilleries, making rules more consistent with those governing breweries and wineries. Specific to our craft beer industry, this piece of legislation:
 - Makes permanent the Extension of Premises for outdoor seating
 - Increases the allowable growler size up to 1.05 gallons.
 - Provides clarification on the Sales & Use tax exemption for alcohol beverage manufacturing equipment, including supplies and ingredients used or consumed in the manufacturing process
 - Allows for a city or county to designate "Social Districts", a defined outdoor area in which alcoholic beverages sold by a permittee may be consumed.
 - Provides additional clarification on Alternating Proprietorships.

2020:

The Guild is grateful for the opportunity to have worked with Governor Cooper's Office, House & Senate leaders, NC industry leaders, and the NC Department of Health and Human Services during this unprecedented time in our state's history.

- [ABC Guidance for Executive Order 118](#) - issued March 17, 2020
Prohibited on-premise food & beverage sales in response to COVID-19.
 - Allowed for curb-side delivery without requiring a permit for extension of premises.
- [Executive Order 121](#) - signed into law March 27, 2020



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State-Wide Stay at Home Order.

- Breweries are designated as an “Essential Business” and therefore, allowed to continue manufacturing operations and off-premise sales, curbside pick-up, and delivery.
- [NC Department of Revenue Important Notice: Alcoholic Beverage Tax, “Major Disaster” affected by Novel Coronavirus Disease 2019](#) - issued May 5, 2020
The NC Dept of Revenue (temporarily) provided alternative means for wholesalers and importers to prove they qualify for the major disaster exemption on malt beverages or wine rendered unsalable. This is effective for all requests (Form B-C-750) to the Department to verify whether the taxpayer is eligible to claim the major disaster exemption.
- [Executive Order 141](#) - signed into law May 20, 2020
Moved North Carolina into “Phase 2”, easing restrictions on business operations.
 - Allowed breweries to reopen for on-premise consumption (50% capacity.)
 - [Guidance on Executive Order 141](#)
- [NC ABC Commission Memorandum of Guidelines: Temporary Extension of Premises for On-Premises Consumption](#), issued May 24, 2020
“Temporarily allow on-premise ABC permit holders to include additional outdoor seating as part of their licensed premises if that space is approved by the appropriate local government entity ... An application for a temporary extension will not need to be submitted to the ABC Commission.”
- [Safe Harbor Bill: HB118](#), signed into law July 2, 2020
Provides for limited immunity arising from claims arising from acts alleged to have resulted in contraction of COVID-19.

2019:

- [ABC Omnibus Bill: HB 536/SB 290](#)
Bill provides for:
 - Ability to private label beer products
 - Clarification of contract brewing law
 - Ability to conduct tastings & sell beer at non-365 day farmers markets
 - Allows sales at sports & entertainment venues
 - Allows dogs in brewery taprooms that do not prepare food on-site
 - Sale of two beers to a single patron at a time
 - Authorizes the transfer of beer between permittee’s retail locations, up to 4 x per year
 - Allows sales and consumption of alcoholic beverages at bingo games
 - Retained retail delivery rights for breweries without an additional permitting requirement.
- [Craft Beer Distribution & Modernization Bill: HB363](#);



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Increases self-distribution limits from 25,000 BBL to 50,000 BBL to unaffiliated retail permittees. Codifies that breweries under 25,000 BBL may cancel a franchise agreement without good cause.

2018:

- ABC Omnibus Bill; HB500; [Session Law 2018-100; HB500](#)
Revisions to ABC laws, allowing a commercial permittee to sample alcoholic beverages for purposes of sensory analysis, quality control, or education on the permittee's licensed commercial premises, licensed retail premises, and the premises of a special event where the commercial permittee is participating.

2017:

- "Brunch Bill"; SB155; [Session Law 2017-87; SB155](#)
Affecting several aspects of ABC laws described [here](#) in further detail, and including:
 - Removing the requirement of food sales for the sale of on-premise unfortified wine.
 - Amends the definition of a growler to remove the resealable requirement, so that growlers may be filled by retailers for consumers on-demand, same as growlers.
 - Authorizes local governments to allow sales of alcohol as early as 10am on Sundays.
 - Allows breweries to store beer off-premises, if the off-site storage location has been approved by the TTB. Brewery must notify ABC of the off-site storage location.
 - Allows a farm brewery in a dry county to sell beer for on- or off-premises consumption, if it produces agricultural products for brewing, and obtains local government approval.
 - Breweries operating an additional retail location are required to sell a reasonable selection of competitive beers, but *only if* that retail location is operating under a different trade name than the brewery.
 - Allows a brewery to give beer tastings to brewery tour participants.
 - The bill confirms that a brewery may taste alcohol on the permitted commercial brewery premises for sensory analysis, quality control, or educational purposes.

2015:

- [Session Law 2015-98; HB909](#)
Revisions to ABC laws allowing:
 - Alternating proprietorships for breweries
 - Contract brewing.

2014:

- [Session Law 2014-120; SB734](#)
Amends Article 11 of Chapter 18B of the General Statutes by adding a new section creating the ability for community colleges and colleges to obtain ABC authorization to offer brewing, distillation, and fermentation courses that involve the manufacturing of beer and the sale of that beer.

2013:

- [Session Law 2013-76; HB829](#)



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Section 1. G.S. 18B-1001 is rewritten to allow the retail sale of malt beverages in "growlers", a cleaned, sanitized, resealable container that is filled or refilled and sealed for consumption off the permitted premises, and the container identifies the permittee and the date the container was filled or refilled.

2012:

- SB 745; [Session Law 2012-4; SB745](#)
Brought significant changes to NC beer franchise law. In several respects, the franchise laws protecting wholesalers were strengthened. *However*, the law also created a special provision for small breweries (defined as those breweries selling fewer than 25,000 barrels annually) to terminate a wholesaler in the absence of "good cause" (as defined by the statute), provided the brewery pays the wholesaler fair market value for the brand's distribution rights.

2011:

- HB 796; [Session Law 2011-419; HB796](#)
Revision to ABC law authorizing the holder of a brewery permit to sell at retail the brewery's malt beverages, or malt beverages manufactured by the permittee in a different state, at the brewery. Also, allowed all breweries to operate an on-site taproom. Prior to this legislation, only breweries that sold fewer than 25,000 barrels annually could operate an on-site taproom.

2009:

- HB1595; [Session Law 2009-377; HB1595](#)
Created the Malt Beverage Special Event permit, which allows breweries, importers, and nonresident beer vendors to give free tastings or sell by the glass at certain special events.

2005:

- "Pop the Cap"; HB392; [Session Law 2005-277; HB 392](#)
Amended the definition of a malt beverage by changing the maximum allowable limit on the percentage of alcohol by volume (ABV) in beer sold in NC from 6% to 15%.