



ABC &-NEWS

A weekly newsletter on North Carolina policy and political news relevant to the North Carolina's ABC Boards

Is General Assembly Wrapping Up Session?

With final budget negotiations ongoing, a powerful state senator announced recently that his chamber is winding down its work for the 2021 long session.

"As you all know, we are probably shutting down many of these committees in the next two weeks," said Senator Bill Rabon (R-Brunswick/Pender/New Hanover/Bladen) last week in the Senate Rules Committee, of which he chairs.

The announcement by Sen. Rabon is an indication that the Senate, and possibly the entire General Assembly, is wrapping up its work for the 2021 legislative session. However, the House has made no such public announcement about its schedule and there was no response from that chamber's leadership.

Under state law, if no budget agreement is reached then spending levels remain at levels authorized in the most recent legislative session, which would mostly be at 2018 levels.

However, the General Assembly made tweaks in spending in 2020 in what was called mini-budgets.

Talks are ongoing on how to spend \$25.7 billion in 2021-2022.

Omnibus ABC Bill on Governor's Desk

House Bill 890 (ABC Omnibus Legislation) was given final approval by the Senate and House on Wednesday and now sits on Governor Roy Cooper's desk. The Governor has three options as it pertains to the bill: sign the bill into law, veto it, or let the bill sit for ten days and the bill becomes law.

The bill was presented to him on September 8 and will likely become state law by September 18 after overwhelming votes in both chambers.

NCAACB lobbyists were successful in getting a change to the bill in the Senate that allows mini-bottles of liquor to be given away at special events. An earlier version of HB890 allowed vendors to sell mini-bottles.

However, NCAACB remains disappointed in a provision in the legislation that requiring local boards to offer delivery service to mixed beverage permittees. In providing delivery to mixed beverage permittees, the local board could either use its employees or contract with one or more independent contractors. The local board would also be authorized to charge a fee to the permittee. This provision goes into effect in June 2022.

As reported last week in this newsletter, a local board in a Tier 1 or Tier 2 county could request an exemption from the ABC Commission, which the Commission must grant if the local board can show evidence of unreasonable hardship or difficulty incurred by implementing delivery service. NCAACB was unsuccessful in getting a broader exemption for all local boards in the Senate despite attempts.

"NCAACB is disappointed in delivery section of the bill and we think it will provide a hardship for not only our ABC Boards, but will be a stress on the entire ABC system at a time when we are struggling with so many supply and delivery issues," said NCAACB President Nancy Gooch. "We will work over the next ten months to comply with the law and we will continue to talk to legislators about improvements we need to be successful for our customers."

The General Assembly will reconvene its 2022 legislative session in the spring, just a couple of months before implementation of the delivery provision.

HB890 also contains other provisions that permit the NC ABC Commission to suspend distribution to a local board of any limited product if a local board violates the rules for ordering the limited product that the Commission is required to adopt. It also requires the Commission to update monthly the list of information required to be made available to local boards.

Click here to read [CBS-17](#) and [WRAL](#) news stories about HB890's passage.