



# ABC &-NEWS

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

## LGERS Bill to Governor's Desk

HB 278 (Sunset ABC Board Participation in LGERS), sponsored by Rep. Allen McNeill (R-Moore/Randolph) passed the Senate floor on Wednesday by an unanimous vote and with little debate and discussion.

The bill, which is now on the desk of Governor Roy Cooper for his signature, disallows ABC Boards from joining the state retirement system if not in by July 1.

Governor Cooper has three options: sign the bill into law, not sign it and it become law on June 26, or veto the bill.

ABC Boards that merge with other ABC Boards in the future are eligible for future enrollment in the retirement system.

NCAACB was concerned about the bill as written, but with only a handful of ABC Boards wanting to enter the state retirement system at this time, the political will to oppose the bill was limited.

NAACB requested legislators allow ABC Boards to notify the state retirement system by July 1 of their intentions to join to be eligible, however, Treasurer Dale Folwell is opposed to this proposed change in the legislation and no changes have been made by legislators.

## Alcohol Bills on the Move – and on the Bus – in the House

*The following article was excerpted from The Insider published on June 16 and written by Colin Campbell.*

Travelers heading across the state by bus could soon buy cocktails, wine and beer along the way. House Bill 693 would legalize a new trend in other states, where bus companies add a bar to the chartered bus experience. The bill's sponsor, Rep. Tim Moffitt, R-Henderson, said the services cater to "first class and business class" travelers, and he expects the routes would include Charlotte to Raleigh and Raleigh to Wilmington.

But Moffitt stressed that his bill wouldn't add bars to the types of buses that ferry party people between bars. "There has been some concern about this leading to party buses, and other types of unsavory things – that is not the purpose of the bill," he said. The alcohol permits would only be valid on bus trips of at least 75 miles, when the destination is at least 10 miles from the starting point. The bill cleared the House Finance Committee on Tuesday without any opposition and passed the House Rules Committee and House floor this week. The bill is now in the Senate.

At an earlier committee meeting on the bill, Rev. Mark Creech of the conservative Christian Action League, said he's opposed to allowing a "bar on wheels."

HB 693 was one of several alcohol- and event-related bills on the Finance Committee's agenda on Tuesday. House Bill 477 would allow event promoters to use vacant buildings on a trial basis without upgrading the spaces for building code and zoning purposes. Rep. Mark Brody, R-Union and sponsor of the bill, said the idea is to hold a small number of events to see if there's demand and interest in the space before paying for renovations. Promoters would still need a safety inspection of the building first. HB 477 now heads to the House Rules Committee.

House Bill 619, which was on Tuesday's agenda for discussion only, addresses a tax code problem for breweries that expand into restaurant service. Breweries typically pay the mill machinery tax for the equipment they use to make beer, but if they later add food service that accounts for more than half of their revenue, they're taxed like a restaurant. That means higher taxes on equipment purchases.

A lobbyist for the N.C. Craft Brewers Guild described a brewery in Boone that got hit with a hefty bill for back taxes on brewing equipment after its pizza proved so popular that it exceeded beer revenue.

HB 619 would put brewery equipment under the machinery tax regardless of how the business is structured.