

AGENCY

The **North Carolina Alcoholic Beverage Control Commission** is an independent agency housed in the NC Department of Public Safety with a direct report to the Governor's Office. The Commission provides uniform control over the sale, purchase, transportation, manufacture, consumption and possession of alcoholic beverages in the state.

HISTORY

In 1937, the North Carolina General Assembly enacted an Alcoholic Beverage Control bill that allowed voters in each county to determine whether or not spirituous liquor should be sold at retail. Once approved by the local voters, the Act allowed for a local ABC board to operate retail stores. The Act also established a State ABC Commission to have oversight authority with respect to each local ABC Board. As a result of this Act, there are 171 active local ABC Boards in the state as of the end of FY 2022.

WET and DRY COUNTIES

State law allows local jurisdictions to hold public referendums and/or approve local laws or regulations on alcohol sales.

There are municipalities and portions of counties in the state remaining dry.

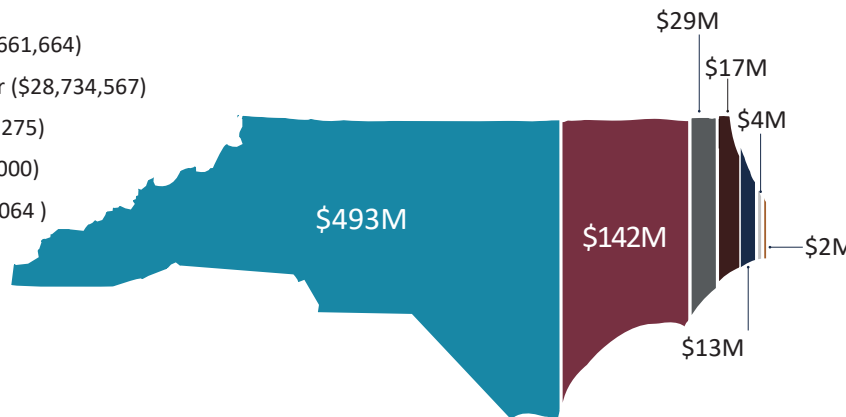
Population 21+ and over - July 2021
(census.gov)

7,814,511

NET REVENUE

NC distributes the majority of the net revenue from the sale of spirits into **seven** categories.

- General Fund (\$493,381,985)
- County - City Distributions (\$141,661,664)
- NC ABC & ABC Distribution Center (\$28,734,567)
- Local Alcohol Education (\$17,003,275)
- Local Law Enforcement (\$13,173,000)
- Counties - Rehabilitation (\$4,066,064)
- Department of Health and Human Services (\$2,455,599)



Figures are from 2022

ENFORCEMENT

Various agencies are responsible for the enforcement of ABC laws and Commission rules in North Carolina.

Alcohol Law Enforcement (ALE) housed in the State Bureau of Investigation at the Department of Public Safety, is the lead enforcement agency for the state's alcoholic beverage control laws. ALE's 109 sworn special agents are authorized to investigate, arrest, and take enforcement action for any criminal offense with territorial jurisdiction throughout the entire state.

Local ABC Boards also have the option to hire an ABC law enforcement officer, or contract to pay its enforcement funds to a sheriff's department, city police department, or other local law-enforcement agency, for the enforcement of ABC laws (18b-701).

In addition to criminal laws, businesses who sell alcoholic beverages under a permit from the Commission are subject to administrative rules that regulate those products and the locations at which those products are sold. Violations of criminal law is a matter presided over by the criminal courts, whereas violations of administrative rules may result in actions such as fines, penalties, suspensions, or revocations against a business that holds a permit.

To help ensure that all businesses fully comply with the alcohol laws and regulations, the Commission offers training classes year-round, at no cost, through their Responsible Alcohol Seller/Server Program (RASP). During this course (in person and on-line) permittees learn about preventing sales to underage and intoxicated persons, hours of sale, acceptable forms of identification, fake IDs, employee age requirements, and dram shop laws.

\$1,726,570,640

FY 2022 Revenue



From 2004 through 2022, the North Carolina ABC system has generated more than \$17.7 billion dollars in revenue and distributed more than \$6.5 billion to state and local governments.

DISTRIBUTION

Local ABC boards operate retail stores while the state Commission manages wholesale distribution of spirituous liquor and oversight of local ABC boards. Beer and wine is distributed by private wholesalers to retail businesses permitted by the Commission.

The NC ABC Commission doubled its warehouse space in 2011 and now operates in 400,000 square feet of space. For FY 2022, more than 8.5 million cases of liquor were received and shipped out to 171 local boards operating 440 retail outlets.

Does jurisdiction allow direct shipping of wine?



Tax per standard drink:
SPIRITS: \$0.084
WINE: \$0.039
BEER: \$0.058

OUTLETS AND GROCERY STORES

NC ABC Commission is the wholesale distributor of spirits in the state. Local governments appoint members of ABC boards and the 171 local ABC boards operate 440 stores that sell spirits at retail. Beer and wine are sold at other outlets, but liquor is exclusively sold at ABC stores.

- North Carolina does not have policies that regulate the density of off-premise outlets in a neighborhood/precinct/condensed area.
- Jurisdiction does not allow the sale of spirituous liquor in convenience stores.
- Servers must be 18 years old and older to serve beer at on-premise outlets, and employees at off-premise outlets must be at least 16 with supervision of someone who is at least 18 to sell beer.
- The sale of beer and wine are permitted in grocery stores.
- Sunday sales after 10am are allowed in local jurisdictions that have approval.
- Keg registration is required.
- Beverage service training is voluntary in the state. However, training is mandatory for all new permit applicants.

**NORTH
CAROLINA
ABC
COMMISSION
IN ACTION**



The [Talk It Out](#) campaign aims to:

- Raise awareness about the dangers of underage drinking (including the negative effects on a developing brain) via multi-media advertising.
- Encourage parents and caregivers to have (ongoing, open, and honest) conversations with their children using direct community outreach.
- Equip parents with effective tips and tools to start (and sustain) these important conversations through the [TalkItOutNC.org](#) website.

DEFINITIONS

Control systems -- jurisdictions that directly control the distribution and sale of beverage alcohol in their borders.

Three-tier system -- the method of alcohol distribution developed after Prohibition in the United States. Producers/manufacturers (first tier) can sell products only to wholesalers/distributors (second tier) who then sell to retailers (third tier).

Revenue Per Capita -- revenue per person.

Wet and dry counties -- Wet jurisdictions are those that permit the sale of spirits, wine, or beer for on-premise and off-premise consumption. Dry jurisdictions prohibit some or all alcohol sales, whether on- or off-premise

Sources: 2018 Survey Database, Alcohol Beverages Revenues & Taxes 2020 Report (June 2022), North Carolina Alcoholic Beverage Control Commission, Alcohol Policy Information System (APIS), Census.gov