

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 994

Commerce Committee Substitute Adopted 4/28/97

Short Title: No Direct ABC Shipments-Consumers.

(Public)

Sponsors:

Referred to:

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT THE DIRECT SHIPMENT OF ALCOHOLIC BEVERAGES TO CONSUMERS IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. Chapter 18B of the General Statutes is amended by adding a new section to read:

§ 18B-102.1. Direct shipments from out-of-state prohibited.

(a) It is unlawful for any person who is an out-of-state retail or wholesale dealer in the business of selling alcoholic beverages to ship or cause to be shipped any alcoholic beverage directly to any North Carolina resident who does not hold a valid wholesaler's permit under Article 11 of this Chapter.

(b) The Commission shall mail a notice by certified mail ordering a person who violates the provisions of subsection (a) of this section to cease and desist any shipments of alcoholic beverages to North Carolina residents. If the offender cannot produce a receipt or otherwise show that applicable State taxes have been paid on the shipped alcohol within 30 days after this notice has been deposited by certified mail addressed to the out-of-state retail or wholesale dealer either at the address shown on the shipment or the last known address of that dealer in any legal registry, such as a registry with the Secretary of State for incorporation of a business, or within 30 days after personal service

1 of the notice on the out-of-state retail or wholesale dealer, it shall be presumptive
2 evidence of his intent to ship alcoholic beverages directly to a North Carolina resident
3 who does not hold a valid wholesaler's permit issued by the Commission.

4 (c) This section shall not apply to producers of beverage alcohol holding a basic
5 permit from the Bureau of Alcohol, Tobacco and Firearms.

6 (d) Upon determination by the Commission that a holder of a basic permit from
7 the Bureau of Alcohol, Tobacco and Firearms has made an illegal shipment to consumers
8 in North Carolina, the Commission shall notify the Bureau of Alcohol, Tobacco and
9 Firearms in writing and by certified mail and request the Bureau to take appropriate
10 action.

11 (e) Whoever violates the provisions of this section shall be guilty of a Class I
12 felony and shall pay a fine of not more than ten thousand dollars (\$10,000)."

13 Section 2. This act becomes effective December 1, 1997.