

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**HOUSE BILL 1614
RATIFIED BILL**

AN ACT TO PROVIDE THAT THE LENOIR COUNTY ABC BOARD MAY MAKE ANNUAL RATHER THAN QUARTERLY DISTRIBUTIONS OF THE PROCEEDS FROM THE ABC SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 18B-805(c) reads as rewritten:

"(c) Other Statutory Distributions. – After making the distributions required by subsection (b), a local board shall make the following ~~quarterly~~ distributions from the remaining gross receipts: receipts on June 30 of each year:

- (1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 1/2%) markup provided for in G.S. 18B-804(b)(5) and the bottle charge provided for in G.S. 18B-804(b)(6b), to be distributed as part of the remaining gross receipts under subsection (e) of this section.
- (2) The local board shall spend for law enforcement an amount set by the board which shall be at least five percent (5%) of the gross receipts remaining after the distribution required by subdivision (1). The local board may contract with the ALE Division to provide the law enforcement required by this subdivision. Notwithstanding the provisions of any local act, this provision shall apply to all local boards.
- (3) The local board shall spend, or pay to the county commissioners to spend, for the purposes stated in subsection (h), an amount set by the board which shall be at least seven percent (7%) of the gross receipts remaining after the distribution required by subdivision (1). This provision shall not be applicable to a local board which is subject to a local act setting a different distribution."

SECTION 2. G.S. 18B-805(e) reads as rewritten:

"(e) Other Distributions. – After making the distributions provided in subsections (b), (c), and (d), the local board shall pay ~~each quarter~~ annually, on June 30, the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law. If the governing body of each city and county receiving revenue from an ABC system agrees, those governing bodies may alter at any time the distribution to be made under this subsection or under any local act. Copies of the governing body resolutions agreeing to a new distribution formula and a copy of the approved new distribution formula shall be submitted to the Commission for review and audit purposes. If any one of the governing bodies later withdraws its consent to the change in distribution, profits shall be distributed according to the original formula, beginning with the next quarter-year."

SECTION 3. G.S. 18B-805(g) reads as rewritten:

"(g) ~~Quarterly~~ Annual Distributions. – When this section requires a distribution to be made ~~quarterly~~, annually, at least ninety percent (90%) of the estimated distribution shall be paid to the recipient by the local board within 30 days of the end of that ~~quarter~~.

year. Adjustments in the amount to be distributed resulting from the closing of the books and from audit shall be made with the next ~~quarterly~~ annual payment."

SECTION 4. This act applies to Lenoir County and to the Lenoir County Alcoholic Beverage Control Board only.

SECTION 5. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 7th day of July, 2004.

Beverly E. Perdue
President of the Senate

James B. Black
Speaker of the House of Representatives