AGENCY: ABC Commission

RULE CITATION: All rules

DEADLINE FOR RECEIPT: Thursday, August 14, 2014

<u>NOTE WELL:</u> This request when viewed on computer extends several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

Please confirm you intend for these rules to have an October 1, rather than September 1, 2014, effective date.

Also in the History Note, the new Amended Eff. date will be after the Temporary Amendment Eff. date. For example, the History Note for 04 NCAC 02S .0102 will read:

History Note: Authority 18B-100; 18B-206(a);18B-207; 18B-900; 18B-901(d); 18B-902; 18B-903; 18B-905; 18B-1000(3); 18B-1008; 18B-1009; Eff. January 1, 1982; Amended Eff. January 1, 2011; July 1, 1992; May 1, 1984; Temporary Amendment Eff. October 25, 2013; Amended Eff. October 1, 2014.

AGENCY: ABC Commission

RULE CITATION: 04 NCAC 02S .0102

DEADLINE FOR RECEIPT: Thursday, August 14, 2014

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

On Page 1, line 32, please either use a gender neutral pronoun or noun or state "himself or herself or under his or her immediate..."

On Page 2, Paragraph (e), line 3, please state "his or her"

In Paragraph (f), line 6, replace "will" with "shall"

In Paragraph (g), line 8, I recommend replacing "in which" with "where"

On Line 9, state, "his or her patrons" or simply "of the permittee and patrons..."

On line 10, who will attempt to avoid consumption in these areas? The Board or the permittee?

In Paragraph (i), line 23, you may wish to add some language at the end of the sentence to state, "except as provided in Paragraph (I) of this Rule."

On Page 3, Paragraph (k), line 4, I think you should strike "has and" and just state, "only if it maintains an inventory..."

In Subparagraph (I)(4)(A), line 18, consider replacing "games, provided that if a single ticket..." with "games; however, if a single ticket..."

In Subparagraph (I)(4)(F), who will make the determination of the final anticipated hour?

1 04 NCAC 02S .0102 is amended as published in 28:22 2713 through 2715 as follows: 2 APPLICATIONS FOR PERMITS: GENERAL PROVISIONS 3 04 NCAC 02S .0102 4 (a) Forms. Application forms for all ABC permits may be obtained from the North Carolina Alcoholic Beverage Control 5 Commission. 6 (b) Statutory Requirements. Before the issuance of any ABC permit, an applicant shall comply with the statutory 7 requirements of Articles 9 and 10 of Chapter 18B of the General Statutes and with the rules of the Commission. 8 (c) Separate Permits Required. An applicant operating separate buildings or structures not connected directly with each other 9 or businesses with separate trade names shall obtain and hold separate permits for each building or business for which heor 10 she wants permits, and he shall pay the appropriate application fees as provided in G.S. 18B-902(d). Where there are multiple 11 buildings, and the Commission determines that the business is operated as one entity, the Commission may, in its discretion, 12 issue one permit. 13 (d) Information Required on Application. An applicant for an ABC permit shall file a written application with the Commission 14 and in the application shall state, under oath, the following information: 15 (1)name and address of applicant; 16 (2)corporate, limited liability company or partnership name; 17 (3) mailing address and location address of business for which permit is desired, and county in which business 18 is located; 19 (4) trade name of business; 20 (5) name and address of owner of premises; 21 (6) applicant's date and place of birth; 22 (7) if a corporation or limited liability company, the name and address of agent or employee authorized to serve 23 as process agent (person upon whom legal service of Commission notices or orders can be made); if a non-resident, name and address of person appointed as attorney-in-fact by a power of attorney; 24 (8) 25 (9) a diagram of the premises showing: 26 (A) entrances and exits; 27 **(B)** storage area for alcoholic beverages; and 28 (C) locations where alcoholic beverages will be served or consumed; 29 (10)that the applicant is the actual and bona fide owner or lessee of the premises for which a permit is sought 30 and shall submit a copy or memorandum of the lease showing the applicant as tenant, or a copy of the deed 31 showing the applicant as the grantee or owner; 32 (11)that the applicant intends to carry on the business authorized by the permit himself or under his immediate 33 supervision and direction; and 34 (12)that the applicant is an actual and bona fide resident of the State of North Carolina or, as a non-resident, has 35 appointed, by a power of attorney, a resident manager to serve as attorney-in-fact who will manage the 36 business and accept service of process and official Commission notices or orders.

3

(e) General Restriction; Living Quarters. No permit for the possession, sale or consumption of alcoholic beverages shallbe
 issued to any establishment when there are living quarters connected directly thereto, and no permittee shall establish or
 maintain living quarters in or connected to his licensed premises.

4 (f) General Restriction; Restrooms. No permit for the on-premises possession, sale, or consumption of alcoholic beverages

5 shall be issued to any establishment unless there are two restrooms in working order on the premises. This requirement shall

6 be waived upon a showing that the permittee The Commission will waive this requirement upon a showing by the permittee

7 <u>that he or she</u> will suffer financial hardship or the safety of the employees will be jeopardized.

8 (g) Areas for Sales and Consumption. In determining the areas in which alcoholic beverages will be sold and consumed, the

- 9 Commission shall consider the convenience of the permittee and his patrons, allowing the fullest use of the premises 10 consistent with the control of the sale and consumption of alcoholic beverages, but will attempt to avoid consumption in areas
- 11 open to the general public other than patrons.

12 (h) Temporary Permits for Continuation of Business. The Commission may issue temporary permits to an applicant for the

13 continuation of a business operation that holds current ABC permits when a change in ownership or location of a business

14 has occurred. To obtain a temporary permit an applicant shall submit the appropriate ABC permit application form, all required

15 fees, a lease or other proof of legal ownership or possession of the property on which the business is to be operated, and a

16 written statement from the ALE agent in that area stating that there are no pending ABC violations against the business. An

17 applicant for a temporary permit shall also submit the permits of the prior permittee for cancellation prior to the issuance of any

18 temporary permit. No temporary permit shall be issued to any applicant unless all prior ABC permits issued for the premises

19 have been cancelled by the Commission.

(i) Retail Sales at Public Places Restricted. The sale and delivery of alcoholic beverages by permitted retail outlets located on
 fair grounds, golf courses, ball parks, race tracks, and other similar public places are restricted to an enclosed establishment in
 a designated place. No alcoholic beverages, beverages shall be sold, served, served or delivered by these outlets outside the

23 enclosed establishment, nor in grandstands, stadiums or bleachers at public gatherings.

As used in this Rule, Paragraph, the term "enclosed establishment" includes a temporary structure or structures constructed

and used for the purpose of dispensing food and beverages at events to be held on fairgrounds, golf courses, ballparks, race

26 tracks, and other similar places.

27 Sales of alcoholic beverages may be made in box seats only under the following conditions:

28

(1) table service of food and non-alcoholic beverages are available to patrons in box seats;

29

no alcoholic beverages are delivered to the box seats area until after orders have been taken; and
 box seat areas have been designated as part of the permittee's premises on a diagram submitted by the

30 31

32

36

permittee, and the Commission has granted written approval of alcoholic beverage sales in these seating areas.

(j) Separate Locations at Airport. If one permittee has more than one location within a single terminal of an airport boarding at
 least 150,000 passengers annually and that permittee leases space from the airport authority, the permittee in such a situation

35 may:

(1) obtain a single permit for all its locations in the terminal;

4

(3)	pool the gross receipts from all its locations for determining whether it meets the requirements of G.S.			
	18B-1000(6) and 04 NCAC 02S .0519.			
(k) Food Busin	esses. Unless the business otherwise qualifies as a wine shop primarily engaged in selling wines for			
off-premise cons	sumption, a food business qualifies for an off-premise fortified wine permit only if it has and maintains an			
inventory of sta	ple foods worth at least one thousand five hundred dollars (\$1,500) at retail value. Staple foods include meat,			
poultry, fish, br	ead, cereals, vegetables, fruits, vegetable and fruit juices and dairy products. Staple foods do not include			
coffee, tea, cocoa, soft drinks, candy, condiments and spices.				
(1) Professional	Sporting Events. Notwithstanding Paragraph (i) of this Rule, holders of a retail permit pursuant to GS. 18B-			
1001(1) may sell	malt beverages for consumption in the seating areas of stadiums, ball parks and similar public places with a			
seating capacity	of 3,000 or more during professional sporting events pursuant to G.S. 18B-1009, provided that:			
<u>(1)</u>	the permittee or the permittee's employee shall not wear or display alcoholic beverage branded advertising;			
<u>(2)</u>	the permittee or the permittee's employee shall not use branded carrying trays, coolers or other equipment			
	to transport malt beverage products;			
(3)	the permittee or the permittee's employee may display the malt beverage product names and prices provided			
	that all of the product names are displayed with the same font size and font style; and			
(4)	in-stand sales shall cease, whichever is earlier, upon the cessation of other malt beverage sales or upon the			
	commencement of:			
	(A) the eighth inning during baseball games, provided that if a single ticket allows entry to more than			
	one baseball game, then the eighth inning of the final game;			
	(B) the fourth quarter during football and basketball games;			
	(C) the sixtieth minute during soccer games;			
	(D) the third period during hockey games:			
	(E) the final 25 percent of the distance scheduled for automotive races; and			
	(F) the final hour of the anticipated conclusion of a contest or event for all other events.			
History Note:	Authority 18B-100; <u>18B-206(a)</u> ; 18B-207; 18B-900; 18B-901(d); 18B-902; 18B-903; 18B-905; 18B-			
	1000(3); <u>18B-1001;</u> 18B-1008; 18B-1009;			
	Eff. January 1, 1982;			
	Amended Eff. <u>October 1, 2014;</u> January 1, 2011; July 1, 1992; May 1, 1984;			
	Temporary Amendment Eff. October 25, 2013.			
	 (k) Food Busin off-premise consistent of the premise consistent of the poultry, fish, braccoffee, tea, coco (1) Professional 1001(1) may sell seating capacity (1) (2) (3) (4) 			

AGENCY: ABC Commission

RULE CITATION: 04 NCAC 02T .0302

DEADLINE FOR RECEIPT: Thursday, August 14, 2014

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

In Paragraph (a), where does one get this form and what is in it? Does your regulated public know?

In the History Note, please state "18B-1001(1); 18B-1001(2); 18B-1001(16)"

04 NCAC 02T .0302 is amended as published in 28:22 2715 as follows:		
04 NCAC 02T .	0302 LABELS TO BE SUBMITTED TO COMMISSION	
(a) All labels for	malt beverage and wine products shall be submitted in duplicate to the Commission on an "Application for	
Label Approval Form."		
(b) Each person requesting label approval shall furnish, in the application for label approval, the names and addresses of the		
manufacturer, bottler and importer of the product.		
(c) Notwithstand	ling Paragraphs (a) and (b), holders of retail permits pursuant to G.S. 18B-1001(1), (2) or (16) that fill or	
refill growlers or	demand are not required to submit the labels required by Rule .0303(b) of this Section.	
History Note:	Authority G.S. <u>18B-100;</u> 18B-206(a); 18B-207; <u>18B-1001(1), (2) and (16);</u>	
	Eff. January 1, 1982;	
	Amended Eff. October 1, 2014;	
	Temporary Amendment Eff. October 25, 2013.	
	04 NCAC 02T . (a) All labels for Label Approval I (b) Each person i manufacturer, bo (c) Notwithstance refill growlers or	

AGENCY: ABC Commission

RULE CITATION: 04 NCAC 02T .0303

DEADLINE FOR RECEIPT: Thursday, August 14, 2014

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

In Paragraph (a), line 8, please italicize "e.g."

In the History Note, please state "18B-1001(1); 18B-1001(2); 18B-1001(16)"

1	04 NCAC 02T .0303 is amended as published in 28:22 2715 as follows:			
2				
3	04 NCAC 02T .	0303 LABEL CONTENTS: MALT BEVERAGES		
4	(a) Containers t	hat are prefilled by the manufacturer shall be affixed with Malt malt beverage labels that shall contain the		
5	following inform	nation in a legible form:		
6	(1)	brand name of product;		
7	(2)	name and address of brewer or bottler;		
8	(3)	class of product (e.g., beer, ale, porter, lager, bock, stout, or other brewed or fermented beverage);		
9	(4)	net contents; and		
10	(5)	if the malt beverage is fortified with any stimulants, the amount of each (milligrams) per container.		
11		container; and		
12	(6)	the alcoholic beverage health warning statement as required by the Federal Alcohol Administration Act, 27		
13		C.F.R. Sections 16.20 through 16.22.		
14	(b) Growlers that	at are filled or refilled on demand pursuant to Rule .0309 of this Subchapter shall be affixed with a label or a		
15	tag that shall contain the following information in type not smaller than 3 millimeters in height and not more than 12			
16	characters per in	<u>ich:</u>		
17	(1)	brand name of the product dispensed;		
18	(2)	name of brewer or bottler;		
19	(3)	class of product (e.g., beer, ale, porter, lager, bock, stout, or other brewed or fermented beverage);		
20	(4)	net contents;		
21	(5)	if the malt beverage is fortified with any stimulants from the original manufacturer, the amount of each		
22		(milligrams) per container;		
23	(6)	name and address of business that filled or refilled the growler;		
24	(7)	date of fill or refill;		
25	(8)	if the malt beverage is more than six percent alcohol by volume, the amount of alcohol by volume pursuant		
26		to G.S. 18B-101(9); and		
27	(9)	the following statement: "This product may be unfiltered and unpasteurized. Keep refrigerated at all times."		
28	(c) Growlers that	at are filled or refilled on demand pursuant to Rule .0309 of this Section shall be affixed with the alcoholic		
29	beverage health	warning statement as required by the Federal Alcohol Administration Act, 27 C.F.R. Sections 16.20 through		
30	<u>16.22.</u>			
31	History Note:	Authority G.S. 18B-100; <u>18B-101(9);</u> 18B-206(a); 18B-207; <u>18B-1001(1), (2) and (16); 27 C.F.R. 16.20</u>		
32		<u>through 16.22;</u>		
33		Eff. January 1, 1982;		
34		Amended Eff. <u>October 1, 2014;</u> April 1, 2011;		
35		Temporary Amendment Eff. October 25, 2013.		

AGENCY: ABC Commission

RULE CITATION: 04 NCAC 02T .0308

DEADLINE FOR RECEIPT: Thursday, August 14, 2014

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In reviewing these rules, the staff determined that the following technical changes need to be made:

In Paragraph (c), delete the comma after "(16)" and "permit" on line 11.

In Paragraph (d), delete the comma after "18b-1001(1)" on line 13.

On line 14, insert a comma after "consumption"

In Paragraph (e), delete the comma after "(16)" on line 16.

On line 17, insert a comma after "consumption"

In Paragraph (f), delete the comma after "(16)"

In the History Note, please state "18B-1001(1); 18B-1001(2); 18B-1001(16)"

1	04 NCAC 02T .0308 is amended as published in 28:22 2715 through 2716 as follows:				
2					
3	04 NCAC 02T .0308 GROWLERS				
4	(a) As used in this Rule, a growler is a refillable rigid glass, ceramic, plastic, aluminum or stainless steel container with a flip-				
5	top or screw-on lid that is no larger than 2 liters (0.5283 gallons) into which a malt beverage is poured prefilled, filled or				
6	refilled for off-premises consumption.				
7	(b) Holders of only a brewery permit that have retail permits pursuant to G.S. 18B-1001(2), may sell growlers filled may sell,				
8	deliver and ship growlers prefilled with the brewery's malt beverage for off-premises consumption provided a label is affixed				
9	to the growler that accurately provides the information as required by 04 NCAC 02T .0303 Rules .0303(a) and .03050305				
10	of this Section.				
11	(c) Holders of retail permits pursuant to G.S. 18B-1001(1), (2) or (16), who do not hold a brewery permit, shall not prefill				
12	growlers with malt beverage.				
13	(d) Holders of a brewery permit that also have retail permits pursuant to G.S. 18B-1001(1), may fill or refill growlers of				
14	demand with the brewery's malt beverage for off-premises consumption provided the label as required by Rules .0303(b) and				
15	.0305 of this Section is affixed to the growler.				
16	(e) Holders of retail permits pursuant to G.S. 18B-1001(1), (2) or (16), may fill or refill growlers on demand with draft malt				
17	beverage for off-premises consumption provided the label as required by Rules .0303(b) and .0305 of this Section is affixed to				
18	the growler.				
19	(c) Holders of a brewery permit that have retail permits pursuant to G.S. 18B 1001(2), may refill customer's growlers				
20	provided a label is affixed to the growler that accurately provides the information as required by 04 NCAC 02T .0303 and				
21	.0305.				
22	(d) Breweries that refill growlers sold by other breweries shall relabel the growler prior to filling it with malt beverage.				
23	(e) Breweries that refill growlers sold by other breweries shall remove, deface or cover any permanent or non permanent				
24	labels prior to affixing a new label.				
25	(f) Holders of retail permits pursuant to G.S. 18B-1001(1), (2) or (16), shall affix a label as required by Rules .0303(b) and				
26	.0305 of this Section to the growler when filling or refilling a growler.				
27	(g) Holders of retail permits pursuant to G.S. 18B-1001(1), (2) or (16), may, in their discretion, refuse to fill or refill a				
28	growler, except in matters of discrimination pursuant to G.S. 18B-305(c).				
29					
30	History Note: Authority G.S. 18B-100; 18B-206(a); 18B-207; <u>18B-305; 18B-1001(1), (2) and (16);</u>				
31	Eff. April 1, 2011;				
32	Amended Eff. October 1, 2014;				
33	Temporary Amendment Eff. October 25, 2013.				

AGENCY: ABC Commission

RULE CITATION: 04 NCAC 02T .0309

DEADLINE FOR RECEIPT: Thursday, August 14, 2014

The Rules Review Commission staff has completed its review of this rule prior to the Commission's next meeting. The Commission has not yet reviewed this rule and therefore there has not been a determination as to whether the rule will be approved. You may call this office to inquire concerning the staff recommendation.

In reviewing these rules, the staff determined that the following technical changes need to be made:

In Subparagraph (c)(1)(C), line 15, please replace the period after "based" with a semicolon.

In (c)(2)(D), line 33, please replace the semicolon after "guidelines" with a period.

In Paragraph (d), please refresh my memory from an earlier review – isn't every refill going to be via a tube, as required by Paragraph (e)? So, when does (d)(2) occur?

In the History Note, please state "18B-1001(1); 18B-1001(2); 18B-1001(16)"

1	04 NCAC 02T .0309 is adopted as published in 28:22 2716 through 2717 as follows:				
2					
3	04 NCAC 02T .	0309	GROWLERS: CLEANING, SANITIZING, FILLING AND SEALING		
4	(a) Filling and re	efilling g	rowlers will only occur on demand by a customer.		
5	(b) Growlers sha	all only b	e filled or refilled by a permittee or the permittee's employee.		
6	(c) Prior to filli	ng or ref	illing a growler, the growler and its cap shall be cleaned and sanitized by the permittee or the		
7	permittee's empl	oyee usir	ng one of the following methods:		
8	(1)	Manual	washing in a three compartment sink:		
9		(A)	Prior to starting, clean sinks and work area to remove any chemicals, oils or grease from other		
10			cleaning activities;		
11		(B)	Empty residual liquid from the growler to a drain. Growlers shall not be emptied into the cleaning		
12			water;		
13		(C)	Clean the growler and cap in water and detergent. Water temperature shall be at a minimum 110°F		
14			or the temperature specified on the cleaning agent manufacturer's label instructions. Detergent		
15			shall not be fat or oil based.		
16		(D)	Remove any residues on the interior and exterior of the growler and cap;		
17		(E)	Rinse the growler and cap in the middle compartment with water. Rinsing may be from the spigot		
18			with a spray arm, from a spigot or from the tub as long as the water for rinsing shall not be		
19			stagnant but shall be continually refreshed;		
20		(F)	Sanitize the growler and cap in the third compartment. Chemical sanitizer shall be used in		
21			accordance with the EPA-registered label use instructions and shall meet the minimum water		
22			temperature requirements of that chemical; and		
23		(G)	A test kit or other device that accurately measures the concentration in MG/L of chemical		
24			sanitizing solutions shall be provided and be readily accessible for use; or		
25	(2)	Mechar	ical washing and sanitizing machine:		
26		(A)	Mechanical washing and sanitizing machines shall be provided with an easily accessible and		
27			readable data plate affixed to the machine by the manufacturer and shall be used according to the		
28			machine's design and operation specifications;		
29		(B)	Mechanical washing and sanitizing machines shall be equipped with chemical or hot water		
30			sanitization;		
31		(C)	Concentration of the sanitizing solution or the water temperature shall be accurately determined		
32			by using a test kit or other device; and		
33		(D)	The machine shall be regularly serviced based upon the manufacturer's or installer's guidelines;		
34	(d) Notwithstand	ling Para	graph (b), a growler may be filled or refilled without cleaning and sanitizing the growler as follows:		
35	(1)	Filling	or refilling a growler with a tube as referenced by Paragraph (e):		
36		(A)	Food grade sanitizer shall be used in accordance with the EPA-registered label use instructions;		

1		(B)	A container of liquid food grade sanitizer shall be maintained for no more than 10 malt beverage
2			taps that will be used for filling and refilling growlers;
3		(C)	Each container shall contain no less than five tubes that will be used only for filling and refilling
4			growlers;
5		(D)	The growler is inspected visually for contamination;
6		(E)	The growler is filled or refilled with a tube as described in Paragraph (e);
7		(F)	After each filling or refilling of a growler, the tube shall be immersed in the container with the
8			liquid food grade sanitizer; and
9		(G)	A different tube from the container shall be used for each fill or refill of a growler; or
10	(2)	Filling	a growler with a contamination-free process:
11		(A)	The growler is inspected visually for contamination;
12		(B)	The growler shall only be filled or refilled by a permittee or the permittee's employee; and
13		(C)	Is otherwise in compliance with the FDA Food Code 2009, Section 3-304.17(c).
14	(e) Growlers sl	hall be fi	led or refilled from the bottom of the growler to the top with a tube that is attached to the malt
15	beverage faucet	and exte	nds to the bottom of the growler or with a commercial filling machine.
16	(f) When not i	n use, tu	bes to fill or refill growlers shall be immersed and stored in a container with liquid food grade
17	sanitizer.		
18	(g) After filling	, or refilli	ng a growler, the growler shall be sealed with a cap.
19			
20	History Note:	Author	ity G.S. 18B-100; 18B-206(a); 18B-207; 18B-1001(1), (2) and (16); FDA Food Code 2009, Section
21		3-304.	17(c) and Section 4-204.13(a), (b) and (d);
22		Eff. Oc	ntober 1, 2014;
23		Tempo	rary Adoption Eff. October 25, 2013.