



# North Carolina Spirits Association

Legislative Report  
June 3, 2022

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Medicaid expansion was a hot topic this week at the Legislature. House Bill 149, which is an omnibus healthcare bill that includes Medicaid expansion, passed the Senate yesterday and now heads to the House where the reception is anticipated to be less than lukewarm. Speaker Tim Moore has been very open about the fact that his chamber thinks Medicaid expansion is not a short session issue where the focus is on keeping it truly short and adjourning in July. He has stated that the House would be open to debating the issue in 2023, and it is yet to be seen if House Bill 149 has become a large bargaining chip between the two chambers.

Medical marijuana also saw a great deal of action in the Senate this week. Nine months after it last surfaced, legislation authorizing marijuana for medical use in NC and developing a system to grow, sell and regulate cannabis passed the Senate on Second Reading. Senator Bill Rabon (R-Brunswick) has championed this bill for years and has stated that the goal is to give NC citizens compassionate care when it is most needed.

To this point, the budget negotiations have been behind closed doors with only the very top leadership from each chamber working towards agreement on a spending cap for the 2022-23 fiscal year. That target has now been set at approximately \$30 billion, and the process has been passed to the Appropriations Subcommittee chairs to take the money that has been allocated to each subject area and pick which projects should be funded. Legislative leadership has also agreed on state employee raises, major construction spending, and boosting the savings reserve. We do not anticipate any more tax cuts in 2022.

The legislature adjourned on Thursday and will reconvene on Monday, June 6.

## BILL STATUS

**House Bill 1108, Allow ABC Permits for Bars**, would allow bars to obtain on-premises ABC permits. The bill defines “bar” as an establishment substantially engaged in the business of serving alcoholic beverages for consumption on the premises. To qualify as a bar, an establishment's gross receipts from alcoholic beverages for consumption on the premises shall be not less than seventy-five percent (75%) of the establishment's total gross receipts. **Introduced by Representatives Moffitt, Hardister, Bradford, and Turner, and referred to the House ABC Committee.**

**House Bill 1135, ABC Laws/Local Sales Option**, would allow local governments with the option of allowing certain alcohol sales and advertising, specifically to allow “happy hours” in the city or county that adopts the ordinance. The happy hour permit would be \$100. The holder of a happy hour permit would be allowed to do any of the following, for any period of time:

- a. Sell an alcoholic beverage at a price that is different from the usual or established price charged for the alcoholic beverage.
- b. Sell more than one alcoholic beverage to a patron for a single price.
- c. Establish a single price based upon the required purchase of more than one alcoholic beverage.
- d. Offer "cents off" coupons.
- e. Offer a meal and alcoholic beverage at a single total price, whether or not the total price reflects a reduced price of the alcoholic beverage.
- f. Advertise the price and type of alcoholic beverages (i) on outside signage located on the permittee's premises, (ii) via newspapers, radio, television, and other mass media, or (iii) on outside signage located on the permittee's premises and via newspapers, radio, television, and other mass media."

**Introduced by Representatives Saine, Hardister and Dahle and referred to the House ABC Committee.**

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For more information about legislation described in the legislative reports, feel free to contact us at [mfrazier@nexsenpruet.com](mailto:mfrazier@nexsenpruet.com) or [dferrell@nexsenpruet.com](mailto:dferrell@nexsenpruet.com), or at (919) 573-7421. Information is also available on the General Assembly's website: [www.ncleg.gov](http://www.ncleg.gov).

***Prepared By: David P. Ferrell, Esq. - NCSA Lobbyist  
NEXSEN PRUET PLLC  
150 Fayetteville Street, Suite 1140  
Raleigh, North Carolina 27601  
Telephone: (919) 573-7421  
dferrell@nexsenpruet.com***