NC Spirits Association



Legislative Report April 13, 2025

The House and Senate both are picking up the pace of business as crossover approaches on Thursday, May 8. Both chambers are routinely filling their Rules Committee calendars with bills and efficiently moving them to the floor for votes of the full chambers.

Last Friday, a North Carolina appeals court ruled for Republican candidate for Supreme Court Jefferson Griffin, a ruling that could flip the result of the nation's only 2024 race that is still undecided. In a 2-1 decision, a panel of the Court of Appeals ruled that tens of thousands of ballots were wrongly allowed to be counted by the State Board of Elections. However, the ruling, if upheld by the Supreme Court, would give most of those voters a three-week window to provide additional information for their choices to count, or see the ballots get removed. Democrat candidate and current member of the Supreme Court Allison Riggs has appealed the decision to the Supreme Court and has recused herself from considering the case. Justice Riggs currently holds a 734-vote lead on Judge Griffin for a seat on the North Carolina Supreme Court.

The House deadline for filing bills passed this week on Thursday at 3pm. The deadline was initially scheduled for Thursday, April 3 at 3pm, but the deadline was extended another week, likely to allow General Assembly staffers more time to complete the many requests for bill drafting they received from House members.

As of the 3pm deadline, House members had filed 1006 bills. The Senate bill filing deadline passed several weeks ago on Tuesday, March 25 at 4pm. The Senate members have filed a total of 760 bills this Session.

The House and Senate adjourned on Thursday and will reconvene on Monday, April 14, 2025.

BILLS OF INTEREST

House Bill 921, ABC & Gaming Omnibus Bill, is an omnibus bill that makes comprehensive changes to North Carolina's alcohol laws, including regulations on game nights and raffles. Among its many provisions, the bill allows greater flexibility in the display and sale of North Carolina-distilled spirits, mobile bar operations, and mixed beverage purchases. It permits ABC stores to open on Sundays if authorized by local governments, allows mixed beverage permittees to buy spirituous liquor from any designated ABC store statewide, and introduces delivery services for mixed beverage permittees.

The bill establishes a new regulatory framework for premixed cocktails, including creating wholesaler and vendor permits, setting franchise agreements, outlining supplier-wholesaler relationships, and regulating pricing, marketing, transportation, and taxation. It also permits mixed beverage permittees to purchase premixed cocktails from wholesalers and introduces tax provisions and exemptions related to these products.

Additionally, the bill expands the definition of "alcohol consumable" to include whipped cream, provides mixed beverage permittees advance notice of ABC product lotteries, and authorizes temporary price promotions for alcohol sales. It clarifies the legal possession of fortified wine and liquor without a permit, simplifies temporary permit requirements, and revises rules for the sale of multiple drinks and game night events.

Finally, the bill updates raffle laws to exempt 50/50 raffles conducted by nonprofits or government entities from restrictions on frequency and prize value, and includes a severability clause. Most provisions take effect between July 1 and December 1, 2025, depending on the section.

Introduced by Reps. Pickett; Pyrtle; Cairns and is awaiting committee referral.

BILL STATUS UPDATES

House Bill 328, Ban Delta-8 & Delta-9 on School Grounds, was reported favorable on the committee substitute in House Education K-12 Committee, reported favorable in the House Rules Committee and placed on the House Calendar for next week.

The Committee Substitute expands the original scope of the bill by extending the requirement to prohibit tobacco products and hemp-derived consumable products across a broader array of public school entities. While the previous version of the bill required governing bodies of public school units to adopt policies banning the use of tobacco and hemp-derived consumable products (such as delta-8 and delta-9 THC) on school grounds and at school-sponsored events, Committee Substitute #2 builds on that by explicitly mandating compliance from charter schools, regional schools, laboratory schools, and the NC School of Science and Mathematics. Each of these educational institutions must adopt a policy consistent with Article 29A of Chapter 115C, reinforcing the prohibition of these substances in school buildings, on campuses, and at events.

<u>Senate Bill 257, 2025 Appropriations Act</u>, is on the calendar for 4/15/25 in the Senate Appropriations/Base Budget Committee. It will then be heard in the Senate Finance Committee.

<u>Senate Bill 710, DPS Agency Changes.-AB</u>, was referred to the Senate Judiciary Committee. It is scheduled to be heard in committee on 4/16/25.

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

<u>Prepared By</u>: David P. Ferrell, Clark Riemer and Chase Horton – NC Spirits Lobbyists MAYNARD NEXSEN PC 4141 Parklake Ave, Suite 200 Raleigh, North Carolina 27612 Telephone: (919) 573-7421 dferrell@maynardnexsen.com www.maynardnexsen.com