



# North Carolina Spirits Association

Legislative Report  
February 22, 2019

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North Carolina election officials Thursday unanimously ordered a new election in the 9th Congressional District. Their vote came after four days of testimony about what election officials called "a coordinated, unlawful, and substantially resourced absentee ballot scheme" in Bladen and Robeson counties. It also followed an announcement by Republican Mark Harris who won the November election and had been fighting calls for a new election. "I believe a new election should be called," Harris told the board, citing evidence he heard this week. "It's become clear to me the public's confidence in the 9th District seat general election has been undermined to an extent that a new election is warranted." Based on legislation enacted toward the end of 2018, the new election would also include a primary. It is unclear whether Harris will run in the new election.

Key Republicans and a former UNC System president joined lawmakers of both parties Thursday to call for a new constitutional amendment aimed at ending politically motivated gerrymandering in North Carolina. Art Pope, an influential GOP donor, joined with former UNC President Tom Ross in a press conference at the legislature to promote a proposal for new constitutional amendment by Representative Chuck McGrady (R-Henderson). The proposed constitutional amendment, which is known as House Bill 140, The FAIR Act, would take the authority over redistricting away from elected politicians and instead give it to an outside commission, which would be appointed by legislative leaders of both parties but would not be open to anyone in politics or with relatives in politics. That commission would in turn be banned from using political data, like past election results or voter registration files, in order to draw political districts. Proponents of redistricting reform say it will lead to more moderate politicians on both sides, since under heavily gerrymandered maps the races are often won in the party primaries, not the general elections. Ross said Thursday that without changing that system, "the polarization that we experience today in our state and society is only going to get worse." Supporters of redistricting reform believe this year is the best chance in a while for the two sides to compromise. The maps must be re-drawn in 2021, and there is widespread uncertainty over which party will have control of the legislature after the 2020 elections. Ross and McGrady are co-chairs of the group North Carolinians for Redistricting Reform, which includes attorneys, politicians and public figures from both sides of the aisle.

North Carolina's Court of Appeals would remain at 15 judges under legislation approved by the Senate this week. The bill is scheduled for consideration in the House Rules Committee on Monday. This legislation is being considered just days before litigation challenging a law reducing

the Court of Appeals roster to 12 judges goes before the state Supreme Court. The bill sponsors report that the bill if enacted would end the lawsuit Democratic Governor Roy Cooper filed challenging the 2017 “reduction” law. A trial court panel actually upheld the law last spring, but the ultimate outcome following scheduled oral arguments March 4 before the Supreme Court was uncertain. The current law eliminates three judgeships as vacancies arise. The first vacancy should happen next month following a judge's age-mandated retirement.

The legislature adjourned on Thursday and will reconvene Monday evening to receive Governor Cooper’s State of the State address.

### **ABC System Legislation Recommended by the PED was Introduced This Week**

This week, **House Bill 91 & Senate Bill 87, ABC Laws Modernization/PED Study**, were introduced in the House. This legislation was proposed and approved by the legislature’s Program Evaluation Division (PED). The bill contains a number of legislative priorities of the North Carolina Spirits Association. The bill:

- Would require the merger of ABC systems located in a county with two or more ABC systems – so that there would be no more than one ABC system per county;
- Would repeal the purchase-transportation permit requirement for spirituous liquor;
- Would require the ABC Commission to submit a quarterly report on its process for obtaining a contract for state warehouse services;
- Would allow the purchase of individual bottles when a special order of spirituous liquor has been placed;
- Would allow local ABC boards to charge a delivery fee when delivering spirituous liquor to mixed beverages permittees;
- Would allow local governments the option of operating ABC stores on Sundays;
- Would allow local ABC boards the option of allowing spirituous liquor tastings at ABC stores.

**House Bill 91 was introduced by Representatives McGrady, Boles, Horn and Willingham and referred to the House ABC Committee. Senate Bill 87 was introduced by Senators Waddell and Wells and referred to the Senate Rules Committee.**

### **BILLS OF INTEREST**

**House Bill 99, Transfer ALE**, would shift the state's Alcohol Law Enforcement agency (ALE) from the State Bureau of Investigation and make it a separate, standalone division of the Department of Public Safety. **Introduced by Representatives McNeill and Boles and referred to the House ABC Committee.**

**Senate Bill 78, Transfer ALE**, is identical to House Bill 99 summarized above. **Introduced by Senators Sanderson, Britt and Horner and referred to the Senate Judiciary Committee.**

### **BILL STATUS**

**Senate Bill 11, ABC Regulation and Reform**, passed the Senate and was sent to the House 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 me at [dferrell@nexsenpruet.com](mailto:dferrell@nexsenpruet.com) or (919) 573-7421. Information is also available on the General Assembly's website: [www.ncleg.gov](http://www.ncleg.gov).

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