



CHATHAM COUNTY
NORTH CAROLINA

“On-Premises” Sale of Malt Beverages Ballot Proposition

*Chatham County Board of Commissioners
September 16, 2019*

Currently Permitted in Chatham County

Current NC ABC Legal Sales Area - Chatham County						
	Malt Beverage	Unfortified Wine	Fortified Wine	ABC Store	Mixed Beverages (Liquor)	Early Sunday Sales
Chatham County	Y Off, HMR or 18B-603(d)	18B-603(c)	Y	Y	Y	Y
Pittsboro	Y	Y	Y	Y	Y	Y
Siler City	Y Off, HMR or 18B-603(d)	18B-603(c)	Y	Y	Y	N
Explanation of Code						
Y	On and off premises sales allowed					
N	Sales prohibited					
Y Off	Off premises sale only					
HMR	Off except for hotels, motels and restaurants					
18B-603(c)	Section of General Statutes which allows sale of unfortified wine					
18B-603(d)	Section of General Statutes which allows sale of malt beverages in establishments holding mixed beverage permits					

1984 Ballot Proposition Enabled:

- On-premises sale of malt beverages by Class A hotels, motels, and restaurants only; and off-premises sales by other permittees.
- On-premises and off-premises sale of fortified and unfortified wine.
- The operation of ABC Store.

2009 Ballot Proposition Enabled:

- The sale of mixed beverages in hotels, restaurants, private clubs, community theaters and convention centers.

2017 “Brunch Bill” Ordinance Enabled:

- “Early Sunday sales”, allowing the sale of alcohol beginning at 10AM on Sundays.



ABC
COMMISSION
NORTH CAROLINA

UNDER THESE STANDARDS

Malt beverages are able to be sold, for on-site consumption, only under the following two conditions:

- A hotel, motel or restaurant applies for and receives a Malt Beverage Permit, *or*
- A hotel, restaurant, private club, community theatre, or convention center applies for and receives a Mixed Beverages (Liquor) Permit

This inhibits the ability of certain businesses, such as event venues, from serving malt beverages for on-site consumption.

In some cases, this eliminates the possibility for establishing other types of businesses such as tap rooms and craft beer breweries with tasting rooms.

Comprehensive Plan



GOAL 4

Diversify the tax base and generate more quality, in-county jobs to reduce dependence on residential property taxes, create economic opportunity and reduce out-commuting.

- Creates opportunity to expand existing tax base by encouraging investment in Chatham County
- Increases localized job opportunities not otherwise available under current restrictions
- Expands small-business development opportunities
- Improves opportunity for sales tax and tourism-related revenue performance
- Creates opportunity to capture sales leakages to surrounding counties

THE STATE OF CRAFT BEER IN NORTH CAROLINA

7th in the nation in number of breweries in 2018

2010: 45
2012: 100
2014: 120
2018: 260
2019: 310+

North Carolina has more breweries than any other state in the South.

More than 40 new breweries are planning to open in North Carolina in 2018 and beyond.

North Carolina is now home to more than five times the number of craft breweries that existed in 2010.

annual economic impact of **\$2 BILLION+**

\$300 MILLION in annual wages

12,000 JOBS

#1 craft beer state IN THE SOUTH

1,254,024 BARRELS produced by craft breweries in 2018

LOCAL INGREDIENTS — sweet potatoes, blueberries, oysters, persimmons, barley, wheat, hops and more — reflect a rich agricultural heritage and have won the state's brewers national recognition.

NC MAJOR CRAFT BREWERY EXPANSIONS

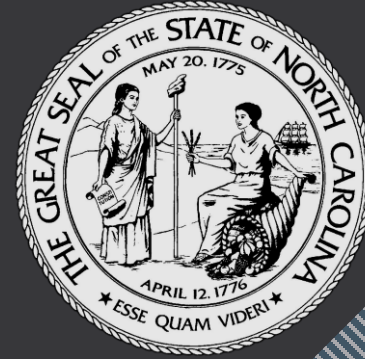
Infographic by Our State Magazine; Sources: Brewers Association, NC Craft Brewers Guild, Beer Institute, Demeter Group, and Visit North Carolina



Governing Statutes

§18B-600(b): County Elections. – Any county may hold a malt beverage, unfortified wine, or ABC store election.

§18B-601(b): How County Election Called. – A county alcoholic beverage election shall be conducted by the county board of elections. When a county is eligible to hold an election under G.S. 18B-600, the county board of elections shall hold the election upon receiving a written request for an election from the governing body of the county.



Governing Statutes

§ 163A-1592. Special elections; procedure for calling.

(a) Any county, municipality, or any special district shall have authority to call special elections as permitted by law. Prior to calling a special election, the governing body of the county, municipality, or special district shall adopt a resolution specifying the details of the election, and forthwith deliver the resolution to the local board of elections. The resolution shall call on the local board of elections to conduct the election described in the resolution and shall state the date on which the special election is to be conducted. In setting the date, counties, municipalities, and special districts are encouraged to set a date that will result in the highest possible voter turnout. However, the special election may be held only as follows:

- (1) At the same time as any other State or county general election.
- (2) At the same time as the primary election in any even-numbered year.
- (3) At the same time as any other election requiring all the precincts in the county to be open.
- (4) At the same time as a municipal general election, if the special election is within the jurisdiction of the municipality only.



Request for Board Consideration

Adoption of a Resolution Requesting the Chatham County Board of Elections hold elections regarding the on-premises sale of malt beverages in Chatham County

The proposed resolution requests the Chatham County Board of Elections to place the stated proposition on the March 3, 2020 Chatham County primary election ballot



Ballot Proposition Language

TO PERMIT THE “ON-PREMISES” AND “OFF-PREMISES”
SALE OF MALT BEVERAGES.

- FOR
- AGAINST

Note: §18B-602 specifies the language that must be utilized for ballot propositions



Advocacy Limitations

Public Funds

Informational vs. Promotional

Public officials are limited to informational communications when they are:

1. Using public funds to pay for the communications; and
2. When the communications are designed to address an issue that may affect an upcoming election – for instance a referendum

***Note:** No limitations on statements by individual public officials (whether elected or appointed) or even by the board as a whole, when no public funds are involved*



In Summary

- The Board is asked to consider the adoption of the proposed resolution
- The proposed resolution requests the Chatham County Board of Elections to place the following language, as a referendum item, on the ballot of the March 3, 2020 primary election in Chatham County

TO PERMIT THE “ON-PREMISES” AND “OFF-PREMISES”
SALE OF MALT BEVERAGES.

FOR

AGAINST



Thank You.
Questions?