

Ballot Proposition: “On-Premises” Sale of Malt Beverages

Chatham County Board of Commissioners

September 16, 2019

The current availability for on-premises and off-premises sale of alcohol is depicted in the following table.

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					

The Alcohol Beverage Control (ABC) permits authorized to be granted within the unincorporated areas of Chatham County include:

- On-premises
 - Fortified and Unfortified Wine
 - Mixed Beverages (Liquor)
 - Malt Beverage (provided the permit applicant/holder is a hotel, restaurant, private club, community theater or convention center)
- Off-premises
 - Fortified and Unfortified Wine
 - Mixed Beverages (Liquor)
 - Malt Beverage

Under these standards, malt beverages are able to be sold for on-site consumption 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 businesses such as tap rooms and craft beer breweries with tasting rooms.

Whereas, Goal 4 of the Chatham County Comprehensive Plan seeks to “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”; allowing for the on-site sale and consumption of malt beverages may tend to:

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

North Carolina General Statutes enable any county to place the question of alcohol sales on the ballot of any election for which all polling places within the County are open, which includes primary elections on even years. General Statues also define the process by which such propositions are to be placed on election ballots, which is by way of a resolution to the County Board of Election requesting the same to be placed on the ballot.

Accordingly, the Chatham County Board of Commissioners is asked to consider the adoption of a resolution requesting the Chatham County Board of Elections to hold elections regarding the on-premises sale of malt beverages in Chatham County. If approved, the requested proposition will be placed on the March 3, 2020 Chatham County primary election ballot.

North Carolina General Statutes specifies the language that is to be utilized for ballot propositions such as this. The language specified by the relevant General Statute reads:

To permit the “on-premises” and “off-premises” sale of malt beverages.

FOR

AGAINST

Please note, that if public funds are anticipated to be used to communicate this issue to the public, such communication must be strictly informational. Public funds are not permitted to be used for publications or other communications advocating one way or the other on this referendum. However, there are no limitations on statements by individual public officials or by the Board as a whole, when no public funds are involved.