

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1409

Short Title: Keg Regis./19-20 Loophole Closed.

(Public)

Sponsors: Representatives Clary; Barbee, Bowie, Cansler, Caps, Davis, Decker, Dedmon, Gardner, Kiser, Rayfield, Reynolds, Sherrill, Shubert, Starnes, Watson, and Weatherly.

Referred to: Commerce, if favorable, Judiciary I.

May 21, 1998

A BILL TO BE ENTITLED

1 AN ACT TO REGULATE THE OFF-PREMISE SALES OF MALT BEVERAGES IN
2 KEGS AND MAKE BEER CONSUMPTION BY ANY PERSON UNDER
3 TWENTY-ONE YEARS OF AGE A MISDEMEANOR.
4

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 18B-1006 is amended by adding a new subsection to read:

7 "(n) Keg Sales of Malt Beverages. – As used in this subsection, a 'keg' is a
8 container capable of holding at least 7.75 gallons of malt beverage.

9 The sale of malt beverages in kegs is subject to the following:

10 (1) Every keg of malt beverages supplied for sale by a malt beverage
11 wholesaler to a permittee other than a hotel, a restaurant, or a private
12 club shall be marked with a permanent identification number and shall
13 also be tagged with a uniquely numbered and coded tag that meets all of
14 the following requirements:

15 a. That is issued by the Alcohol Law Enforcement Division to the
16 malt beverage wholesaler upon the payment of a fee covering the
17 cost of producing the tags.

18 b. That is used for a single sale of the marked keg.

- 1 c. That is removed from the keg upon the keg's return to the malt
2 beverage wholesaler and maintained with the records of the sale.
3 d. That is semiannually returned to the Alcohol Law Enforcement
4 Division for destruction.
5 (2) The retail seller of the keg shall require the retail purchaser to complete
6 a form:
7 a. That is provided to the retail seller by the Alcohol Law
8 Enforcement Division upon the payment of a fee covering cost of
9 producing the forms.
10 b. That includes all of the following:
11 1. The retail purchaser's name.
12 2. The retail purchaser's address.
13 3. The retail purchaser's telephone number.
14 4. The retail purchaser's date of birth, verified by viewing the
15 purchaser's drivers license.
16 5. The keg's identification number.
17 6. The keg's unique tag number or code.
18 c. That summarizes all of the following:
19 1. The requirements of this subsection.
20 2. The penalties for violating any provision of this
21 subsection.
22 3. The penalties for providing malt beverages to an underage
23 person.
24 d. That contains a statement, signed by the retail purchaser of the
25 keg, that he or she will not supply alcoholic beverages to any
26 person under 21 years of age and will not deface or remove the
27 keg identification or tag.
28 e. That shall be returned along with the keg by the retail seller to
29 the malt beverage wholesaler who shall attach it to the keg tag
30 removed from the keg and retain it for three years.
31 f. That once completed becomes a public record.
32 (3) The retail seller shall collect from the buyer, in addition to any other
33 costs, a deposit in the amount up to fifty dollars (\$50.00) guaranteeing
34 that the tag shall not be defaced or removed and if it is, then the retail
35 seller shall keep the deposit as liquidated damages for the defacing or
36 removal of the tag.
37 The retail seller shall report the following to the Alcohol Law Enforcement Division:
38 (1) The failure of a buyer to return a keg.
39 (2) The defacing of a tag attached to a returned keg.
40 (3) The removal of a tag from a returned keg.
41 Any person who defaces or removes the identification tag provided by the Alcohol
42 Law Enforcement Division on a keg or who possesses an unlabeled or untagged keg shall

1 be guilty of a Class 1 misdemeanor and upon conviction shall be fined no less than fifty
2 dollars (\$50.00), imprisoned, or both in the discretion of the court.

3 Any permittee that fails to obtain, record, maintain, or report the information required
4 by this subsection or fails in any other way to comply with the provisions of this
5 subsection shall have its permit revoked by the Commission in accordance with the
6 policies of the Commission."

7 Section 2. G.S. 18B-302(i) is repealed.

8 Section 3. This act becomes effective October 1, 1998.