

**REQUEST FOR BOARD ACTION**  
**HENDERSON COUNTY**  
**BOARD OF COMMISSIONERS**

**MEETING DATE:** 4 June 2012  
**SUBJECT:** ABC Board issues  
**PRESENTER:** Charles Russell Burrell

**SUMMARY OF REQUEST ONE:**

With the May 8, 2012, passage of the alcoholic beverage referenda in Henderson County, the Board may now wish to consider the establishment of a County Alcoholic Beverage Control (“ABC”) Board.

County staff will present further information on this matter.

**BOARD ACTION REQUESTED:**

Board consideration of options.

If the Board is so inclined, one of the following motions is suggested:

**Option 1**

***I move that the Board establish the Henderson County Alcoholic Beverage Control Board to operate under Chapter 18B of the General Statutes.***

**Option 2**

[no action – no motion or vote needed]

**Option 3**

***I move that staff be directed to explore the option of a merged or consolidated Alcoholic Beverage Control Board with one or more of the existing ABC Boards within Henderson County.***

**SUMMARY OF REQUEST TWO:**

Prior to issuing a local retail ABC permit, the State ABC Commission must give local government a chance to object to the permit. This is problematic for local governments, in that they only have fifteen days from the date the notice of the right to object is mailed from Raleigh until the objection is due. It frequently is impractical at best to obtain Board action within this time frame. Any objection raised by the local government "shall state the facts upon which it is based."

County staff will present further information on this matter.

**BOARD ACTION REQUESTED:**

Board consideration of options.

## ABC – Liquor Stores

- Operated by local Alcoholic Beverage Control Boards.
- Heavily regulated by the State, even price.



## ABC – Sale of Spiritous Liquors

- Sale by the bottle: In North Carolina only at ABC stores – governmentally owned and operated.
- Sale “by the drink”: Will be allowed outside of Hendersonville, Fletcher and Laurel Park only if Henderson County operates an ABC store.





# ABC Permits

- Malt Beverages (most often beer)
- “Unfortified” Wines (less than 16% alcohol)
- Everything Else – “Spiritous Liquors”



# ABC

Alcoholic Beverage Control Boards  
and Henderson County



Office of the County Attorney



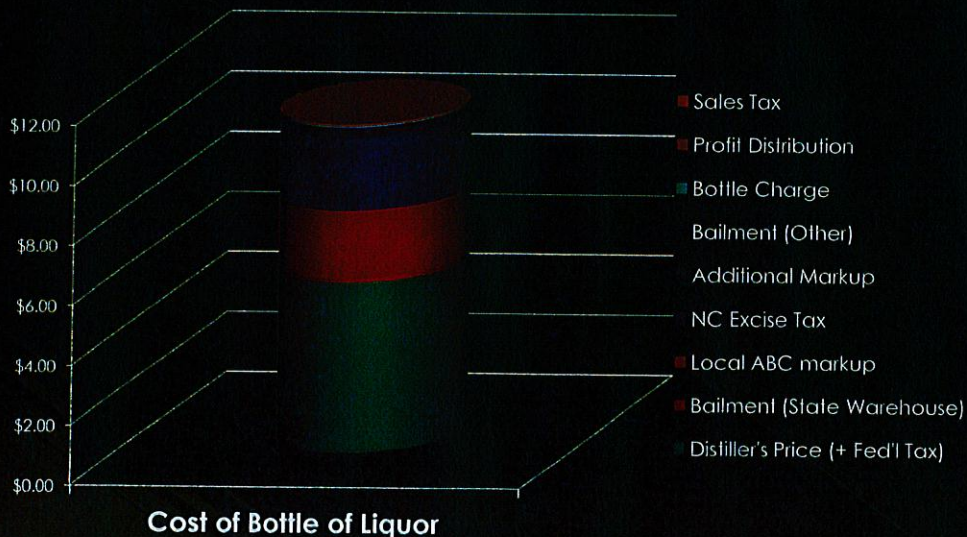
# ABC – Liquor Stores

## Price at the ABC Store for liquors:

1. Distiller's price (including Federal Excise taxes)
2. Freight and bailment charges for State warehouse
3. Markup for local ABC board (determined by the State ABC commission – currently 39%)
4. 30% tax on the total of 1-3 (GS 105-113.80(c))
5. Additional markup for local ABC board of 3.5% on the total of 1-3.
6. A bottle charge of one cent (1¢) on each bottle containing 50 milliliters or less and five cents (5¢) on each bottle containing more than 50 milliliters.
7. A bailment surcharge.
8. An additional bottle charge for local boards of one cent (1¢) on each bottle containing 50 milliliters or less and five cents (5¢) on each bottle containing more than 50 milliliters.
9. A rounding adjustment, the formula of which may be determined by the Commission, so that the sale price will be divisible by five.
10. If the spirituous liquor is sold to a mixed beverage permittee for resale in mixed beverages, a charge of twenty dollars (\$20.00) on each four liters and a proportional sum on lesser quantities.
11. If the spirituous liquor is sold to a guest room cabinet permittee for resale, a charge of twenty dollars (\$20.00) on each four liters and a proportional sum on lesser quantities.



# ABC – Liquor Stores





## ABC – Options

- No action is required.
- If the Board desires ABC stores, or if the Board wishes to allow on-premises mixed beverages sales by hotels and restaurants, the Board must establish an ABC Board.
- For on-premises sales, the County must establish (or operate as a merged ABC board) an ABC store.



## ABC Boards within Henderson County

- Hendersonville
- Laurel Park
- Fletcher

Each operates within its municipal limits, which, as the Board well knows, can include satellite areas.





# ABC Options

## Stand-alone ABC Board

- Control local proceeds
- Higher costs (due to fixed costs/overhead)

## Form ABC Board, then merge with another ABC Board

- Lose control of local proceeds
- More local proceeds, due to lower cost



# Questions

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