



State of North Carolina
ALCOHOLIC BEVERAGE CONTROL COMMISSION

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To: Mixed Beverage Private Club permit holders

From: James C. Gardner, Chairman

Date: September 12, 2013

Re: Violence

Since being sworn in as Chairman on March 4, 2013, I have been stunned by the violence occurring at some locations holding ABC Permits. The majority of permit-holders do a proper job supervising their patrons, and the ABC Commission thanks you. However, the unwise decisions of a few have brought attention to Mixed Beverage Private Club permit-holders as a group.

The ABC Commission is focused on disapproving ABC permits for locations that attract, allow or ignore ongoing violence. Despite an owner's best intentions, a location can become a magnet for patrons with a tendency for violence. Such problems often arise when promoters hold large events at a location as the promoter does not have ABC permits at risk. In addition, these events are often a violation of the Mixed Beverage Private Club permit. (For example, the promoter may become a member of the club, but then advertises the event on radio and Facebook. Everyone that attends the event cannot be his bona fide guests because he does not know them.)

The ABC Commission will be looking closely at locations not complying with the Mixed Beverage Private Club permit requirements. The most relevant private club regulations are included with this correspondence (all regulations can be found on the Commission's website). Any violation of these requirements could result in a substantial penalty. A second or third offense may lead to a suspension of your ABC permits.

If you are concerned about disturbances at your establishment, you have several resources to assist you: NC Alcohol Law Enforcement (go to www.ncdps.gov to find your area District Office), ABC Board Law Enforcement (if applicable), and your local police department or sheriff's office. Please work with your area law enforcement to address any issues that may arise at your establishment.

While the ABC Commission can appreciate what your business contributes to the State's economy, the priority of the ABC Commission is the public's health, safety and welfare.

Please contact the ABC Legal Division if you have any questions.

04 NCAC 02S .0234 PRIVATE CLUBS: GENERAL PROHIBITIONS; GUESTS

- (a) Private club permittees or their employees shall not allow any person who is not a member or a guest of a member to purchase or possess alcoholic beverages on the premises.
- (b) "House" Guests. No private club permittee or his employee shall admit patrons as "house" guests.
- (c) Employee Member. An employee who is also a member of the private club shall not admit a patron as his guest while that employee is on duty.
- (d) A member shall designate his own guest. If a member accepts a patron as his guest at the behest of the private club mixed beverages permittee or employee, then the Commission shall consider that member to be acting as the permittee's agent.

*History Note: Authority G.S. 18B-100; 18B-207; 18B-1008;
Eff. July 1, 1992;
Amended Eff. January 1, 2011.*

04 NCAC 02S .0235 PRIVATE CLUBS; RECIPROCAL MEMBERSHIPS

A private club permittee may offer reciprocal memberships to members of other private clubs under the following conditions:

- (1) Reciprocity shall extend only to members of private clubs holding Mixed Beverages or Brownbagging permits issued by the Commission.
- (2) All clubs participating in reciprocal membership arrangements shall enter into a written agreement setting forth the terms of their arrangement, and each club shall adopt rules governing the use of their facilities by reciprocal members. The agreement and rules shall be filed with the Commission and made a part of the permittees' files.
- (3) A member of another club who is granted a reciprocal membership shall be required to show a valid membership card indicating he is a member of the reciprocal club each time he enters the facility.

*History Note: Authority G.S. 18B-100; 18B-207; 18B-1008;
Eff. July 1, 1992;
Amended Eff. January 1, 2011.*

04 NCAC 02S .0518 PRIVATE CLUBS: FINANCIAL STATEMENTS: RECORD KEEPING

(a) A private club holding a Mixed Beverages Permit shall maintain full and accurate monthly records of its finances, separately indicating each of the following:

- (1) amounts expended for the purchase of spirituous liquor from ABC stores and the quantity of spirituous liquor purchased;
- (2) amounts collected from the sale of mixed beverages and, by brand and container size, the quantity of spirituous liquor sold;
- (3) amounts received in payment of members' dues;
- (4) amounts received from charges to members and guests of members; and
- (5) quantity of spirituous liquor, by brand and container size, that was not sold but is no longer on the licensed premises due to stated reasons, such as breakage or theft.

(b) Records of purchases of spirituous liquor and sales of mixed beverages shall be filed separate and apart from all other records maintained on the premises.

(c) Records, including original invoices for the items in Paragraph (a) of this Rule, shall be maintained on the premises for three years and shall be open for inspection or audit pursuant to G.S. 18B-502.

(d) A private club holding a Mixed Beverages Permit shall submit to the Commission for its review, reports summarizing the information required to be maintained by this Rule. These reports shall be submitted on an annual basis or upon request by the Commission.

*History Note: Authority G.S. 18B-100; 18B-207; 18B-1008;
Eff. January 1, 1982;
Amended Eff. April 1, 2011; July 1, 1992; May 1, 1984.*