



**RESOLUTION OPPOSING THE GRANTING OF AUTHORITY TO THE STATE
ABC COMMISSION TO MANDATE MERGERS OF LOCAL ABC BOARDS,
OPPOSING PRIVATIZING THE LOCAL ABC LIQUOR SYSTEM AND OPPOSING PRIVATE
AGENCY STORES**

WHEREAS, since 1937, under the statutory plan for local ABC Systems, pursuant to local referenda, Local Governments control the establishment and management of local ABC Boards within each of their respective jurisdictions; and

WHEREAS, pursuant to both local acts and state law, all net profits from revenues collected are distributed to each local government and their communities for use for public purposes as they deem fit and proper; and

WHEREAS, North Carolina has 165 local ABC systems under what is called the CONTROL system. The local government ABC system has worked well because it has provided our state's citizens with an excellent balance of control, ABC law enforcement and 258 million dollars annually in tax revenues in partnership between the sovereign State and the local communities; and

WHEREAS, North Carolina in its attempts to balance revenue with responsible sales, ranks 3rd in revenue and 48th in consumption. Statewide, for the fiscal year ending June 30, 2009, local ABC stores contributed \$7,111,855 for local enforcement of ABC laws, \$8,945,672 for alcohol education and rehabilitation, and distributed \$46,238,171 to county and municipal governments for local use. According to the Program Evaluation Division (PED) report, in a comparison with 12 open/private states, the efficiencies in the North Carolina Control system are rated above the compared states in regard to lower alcohol consumption and lower number of retail ABC outlets; and

WHEREAS, The mission, goals and objectives of these local systems is to (1) provide the citizens of North Carolina with a well-managed, modern and profitable system of ABC stores (2) operate our stores efficiently and in a customer friendly manner (3) exercise strict and responsible control over the sale of our products and (4) optimize the revenues for distribution to the State, Counties and municipalities all revenue of which is to be used for public purposes to benefit the citizens of our state and communities; and

WHEREAS, legislation was introduced at the last session in the General Assembly which would: (1) grant authority to the State ABC Commission to mandate mergers of local ABC Boards so that there will be only one ABC Board in each County and to also grant authority to mandate merger of boards to form regional boards across county lines; and

WHEREAS, Local Governments are permitted by law to mutually choose to merge their ABC Boards or to jointly operate their ABC stores with other jurisdictions in the event they jointly determine it is feasible and in their best interests to do so; and

WHEREAS, local ABC Boards deem it to be in the best interest of the general public that local government should maintain local control and authority with respect to mergers and to maintain exclusive control under the current legislative scheme concerning the sales of liquor products; and

WHEREAS, local voters did not vote to allow spirits to be sold in private retail establishments and the sale by private employees would not be as well regulated with respect to "control" of sales; and

WHEREAS, in an atmosphere of privately owned liquor stores, the control aspects in the sale of liquor products are reduced considerably resulting in an increase in underage consumption.

NOW, THEREFORE BE IT RESOLVED BY THE TOWN OF SUMMERFIELD:

1. That the Town does hereby strongly oppose:

- A. Legislation conferring control and authority to the State ABC Commission to mandate county, regional or geographical mergers of the state's local ABC systems.
- B. Legislation conferring authority to the State ABC Commission to establish private agency stores to sell liquor products.
- C. Legislation that authorizes the privatization of the states local ABC systems.

2. That the Legislature is strongly urged to maintain the current Local ABC System in North Carolina as provided by statute and local Acts.

Adopted on this the 13th day of April 2010.



Mark E. Brown, Mayor

Attest: Valarie Halvorsen
Valarie Halvorsen, Town Clerk