

## 2019 Legislative Successes

### **Landmark ABC Reform**

Continuing on the success of the “Brunch Bill”, NCRLA passed further ABC reform. Changes for restaurant and hotels include mandating that local ABC boards allow for electronic payment, delivery of orders to the establishment. It also changed the costly law mandating that special orders had to be done by the case has now been reduced to individual bottle orders.

### **Stopped Moratorium of Local Authority to Regulate AirBnB**

Legislative leadership in the House made multiple attempts to pass bills which would have stripped the municipalities of their authority to regulate short term rentals. This would have allowed short term rentals to exponentially multiple in every market in NC without any ability for cities to regulate. After numerous attempts and high-level negotiations, NCRLA and coalition partners were able to defeat these attempts not only multiple times in committee but also in the full Republican caucus. We expect that this issue will reemerge in the short session.

### **Obtained Line Item Funding for ProStart**

In 2018, NCRLA secured a one-time \$200,000 state appropriation in matching funds to NCHAF for the ProStart program. In this year’s budget NCRLA was able to lobby and secure a dedicated line item for a direct grant for Prostart of \$200,000 in 2018 and another \$200,000 in 2019. This dedicated budget line item makes it easier for NCRLA to lobby and secure funding in future years for this program. At this time, the legislature has not been able to override Governor Cooper’s veto of the budget.

### **Passed Casino Night Bill**

After years of lobbying, the law was changed to allow casino night fundraisers. Previously, it was illegal for casino nights to be held but events were widely held across the state with enforcement varying across the state. Now any non-profit, association or employer with over 25 employees may hold a casino night. A venue may hold up to 2 casino nights a month. A special permitting process has been established to authorize the events. NCRLA continues to lobby for more flexibility in the number of events allowed in a venue per month.

### **Passed the 2017 Food Code**

For years NC has been behind with implementation of the new FDA Food Code and operating on the 2009 Food Code. This year, NCRLA was able to pass legislation which would authorize the Department of Health and Human Services to adopt all or part of the new 2017 Food Code. NC is one of the first states to adopt the latest food code which will alleviate many regulatory burdens on operators. Included in the new food code is a provision to allow restaurants and retailers to maintain an emergency operation plan on file and be able to stay open under that plan in case of a water leak or a natural disaster. NCRLA is now working with the department on the regulatory process of adopting the new code for implementation.

### **Passed AHP Bill**

This year a bill was passed which would allow Associations to offer health insurance to their members like any small business. This highly negotiated bill would allow for associations to take advantage of new regulations allowing for association health plans. NCRLA continues to work with the National Restaurant Association and the NC Department of Insurance to authorize our plan for sale in NC.

**Accommodation Facilitator Language to Ensure Accurate Tax Collection**

A tax package was also included in this year's state budget including a provision that would further ensure that short term rentals were paying sales and occupancy taxes. This provision states that third party online accommodation facilitators are legally responsible for collecting and remitting applicable state and local taxes. NCRLA strongly advocated for this language to ensure that companies like AirBnB are accurately remitting their sales and occupancy taxes in the state.

**Stopped Burdensome Franchise Reporting**

A legislative provision which would have required all franchisors to release sales data for all of their franchisees was turned into a legislative study. NC Department of Revenue is advocating that there are widespread discrepancies in sales being reported by franchisees. NCRLA has strongly advocated against this unnecessary provision and the burden it would place on businesses across the state. NCRLA is also concerned of the joint employer implications this provision if it were to pass. The legislature will study this issue during the interim and decide further action for the short session.

**Defeated Meals Taxes**

This legislative session, five bills which would have authorized new taxes on prepared food and beverage were introduced in the General Assembly. This included taxes for Henderson, Scotland Neck, Brunswick County, Cumberland County and the Rockingham Speedway. NCRLA fought strongly against these bills and none made it out of their chamber of origin. These bills will still be viable for the short session and NCRLA will continue to monitor and advocate against their movement through the legislative process.

**Defeated Legislative Changes to School Calendar**

Again, this session over fifty bills were filed which would have given local authority to school boards to set their calendars. Only one of these bills passed the House and went over to the Senate. Support for the current school calendar law remains in the Senate but the House overwhelmingly would like to return the authority to the local boards. NCRLA along with the NC Travel & Tourism Coalition continues to fight for the importance of these set school start and end dates and their impact on tourism in NC.

**More Flexibility for Restaurants Serving Oysters**

Under new legislation restaurants would now be able to use oyster shells as serving dishes provided a number of safety precautions were followed. This legislation would give restaurants and hotels more options in serving oysters to their customers in a variety of ways.