

The North Carolina Hospitality Industry: A Driving Force in the State Economy

More Than 20,000 Restaurants • 2,000 Lodging Establishments

\$30 Billion in Annual Sales • Employs 11% of the State Workforce • Nearly 450,000 Employees

LEGISLATIVE PRIORITIES FOR 2023–2024



ABC Reform

NC restaurants, hotels, and bars face unnecessary and burdensome challenges regarding the purchase and sale of alcoholic beverages. NCRLA will advocate for modernization and increased business efficiencies to support on-premise permit holders, including:

- **A centralized liquor inventory management system** to create transparency into product availability
- **Allow purchase from any NC ABC board**—Allow permittees to purchase from any local board that has the product they need
- **A liquor delivery system**—Establish a 21st century system to deliver liquor to permittees
- **An online ABC permit issuing system** and temporary license procedure
- **Alcohol advertising laws modernized**
- **Rare and allocated spirits distribution transparency** by local boards

- **Private-label liquor sales**—Allow mixed beverage permittees to sell private-label liquors by the bottle directly to their customers for consumption off premises
- **Clarify prohibition split case fees for wine**
- **Ready-to-drink cocktails**—Allow for takeout and delivery of ready-to-drink cocktails along with restaurant orders

COVID-Related Protections

Ensure hospitality businesses are protected from COVID-19 liability when current protections are set to expire in February 2023.



Promote NC Products in NC Foodservice Establishments

Support an appropriation to the NC Department of Agriculture to strengthen and promote NC agricultural products to foodservice establishments across the state.



Workforce Development

Support funding for hospitality workforce development initiatives.

Short-Term Online Rentals

Support parity within the lodging industry, including the authority of local governments to regulate short-term rentals like other, similar businesses.

Meals Taxes

Oppose all new or expanded prepared meal taxes.

Occupancy Taxes

Do not oppose legislation that complies with established occupancy tax guidelines—G.S. 153A-155 and G.S. 160A-215 as follows:

- Rate—Cannot exceed 6%
- Use—At least two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism-related expenditures, which may include beach nourishment

Hotel Guest Tenancy Clarification

Support clarification in statute to distinguish a visitor/hotel guest as one who stays for less than 90 days from a tenant who establishes residency (90 days or more).

Tourism Promotion

Support robust funding for state and local tourism marketing and promotion.

Support Tax and Regulatory Reform

Support tax and regulatory reforms that help foster business growth and support job creation.

- Support deductibility of credit card swipe fees related to the collection of taxes such as sales, occupancy, and prepared meals taxes

Oppose Regulatory Overreach

Oppose legislation that would impose onerous and unnecessary burdens on businesses. Examples include:

- E-verify expansion
- Franchisor to report the sales data of a franchisee
- Overreaching data privacy bills



School Calendar

Support the current school calendar law which requires that K–12 public schools not begin classes earlier than the Monday closest to August 26 or end later than the Friday closest to June 11, with limited exceptions and contingencies for weather.

The mission of the North Carolina Restaurant and Lodging Association is to Protect, Educate, and Promote the North Carolina hospitality industry.

NCRLA Government Affairs Team

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