TOWN OF BUNN ABC ALCOHOLIC BEVERAGE CONTROL BOARD P O BOX 235 BUNN NC 27508 (919) 496-4500

A RESOLUTION SUPPORTING LOCAL CONTROL OF LOCAL ABC BOARDS AND OPPOSING FORCED MERGERS OF LOCAL ABC BOARDS

WHEREAS, THE CITIZENS OF <u>BUNN</u> VOTED TO PERMIT THE SALE OF SPIRITUOUS LIQUOR THROUGH THE ESTABLISHMENT OF THE <u>BUNN ABC BOARD</u>, WHICH IS PART OF THE NORTH CAROLINA STATE CONTROL SYSTEM:

WHEREAS, SB 839/HB 768-MODERNIZATION OF THE ABC SYSTEM WOULD REQUIRE ALL ABC BOARDS IN A COUNTY TO MERGE, ALLOW THE STATE ABC COMMISSION TO MERGE COUNTY-WIDE BOARDS INTO REGIONAL BOARDS, REQUIRE THE ABC COMMISSION TO DEVELOP PERFORMANCE STANDARDS, ALLOW THE ABC COMMISSION TO CLOSE OR MERGE ABC BOARDS, CLOSE ABC STORES WITH LOW PROFITABILITY, CONTRACT DIRECTLY WITH AGENCY STORES FOR THE SALE OF SPIRITS WHERE ABC STORES ARE AUTHORIZED BUT NOT IN OPERATION, AND REQUIRE AN ABC BOARD TO CONTRACT WITH AN AGENCY STORE;

WHEREAS, IT IS A LOCAL DECISION TO ESTABLISH AND OPERATE AN ABC STORE AND ANY DECISION TO MERGE AN ABC BOARD SHOULD BE MADE BY THE LOCAL GOVERNMENT BASED ON LOCAL CIRCUMSTANCES, AND NOT BY THE STATE.

WHEREAS, A LOCAL GOVERNMENT BALANCES CONTROL, PROFITS AND AVAILABILITY OF SPIRITS IN OPERATING ABC STORES.

WHEREAS, THE DECISION BY A LOCAL GOVERNMENT TO OPERATE WITH A LOW PROFIT MARGIN DOES NOT REDUCE THE AMOUNT OF LIQUOR EXCISE TAX RECEIVED BY THE STATE, SO THE STATE DOES NOT HAVE A FINANCIAL INTEREST IN THE PROFITABILITY OF ABC STORES.

WHEREAS, AN "AGENCY STORE" IS A PRIVATE RETAIL SELLER, AND THE CITIZENS OF <u>BUNN</u> WHEN VOTING TO PERMIT THE OPERATION OF ABC STORES, DID NOT VOTE TO ALLOW LIQUOR TO BE SOLD IN SUCH PRIVATE OFF-PREMISE RETAIL ESTABLISHMENTS;

WHEREAS, SALES OF LIQUOR MAY NOT BE WELL-REGULATED IN AGENCY STORES, THEREBY POTENTIALLY CREATING LAW ENFORCEMENT AND OTHER PROBLEMS, <u>BUNN</u> DESIRES TO RETAIN NORTH CAROLINA'S CONTROL SYSTEM OVER THE SALES OF SPIRITS AND TO CONTINUE TO MAKE SPIRITS AVAILABLE TO ITS CITIZENS ONLY THROUGH ITS ABC STORE(S);

WHERAS, NOW THEREFORE, BE IT RESOLVED BY THE <u>BUNN ABC BOARD</u>
THAT THE ESTABLISHMENT AND OPERATION OF THE <u>BUNN ABC STORE</u> (S)
THROUGH THE CONTROL SYSTEM SHOULD BE A LOCAL DECISION AND THAT
THE <u>BUNN ABC BOARD</u>, OPPOSES ANY STATE MANDATE TO MERGE ABC BOARDS
MANDATE THE MERGER OR CLOSING OF ABC STORES AND OPPOSES
THE ESTABLISHMENT OF AGENCY STORES.

BY: Mucha W. Mounting

ATTEST:

DATE: April 6, 2005