

ABC Committee Testimony
Thursday – 8 March 2010

Thank you, Mr. Chairman and members of the committee. I am Bill Brooks, president of the North Carolina Family Policy Council. I want to begin my remarks by highlighting one of the most telling findings of the Program Evaluation Division's report, which is that North Carolina simultaneously boasts the third lowest per capita consumption and fourth highest per gallon revenue of the 18 control states. Even more impressive is that North Carolina beats all the licensure states in both of these categories. So, while we agree that there is a need for some beneficial reforms to the system, we would hasten point out that the current system, according to the numbers, is working quite well, so it is both unnecessary and unwise to overhaul and replace our local control system. We are opposed to any efforts to privatize or begin to privatize North Carolina's Alcohol Beverage Control system.

We recognize the economic and government interest in streamlining efficiency in the system. However, we would like to remind you that North Carolina's long history of alcohol beverage control—at least 136 years old—has never had profit as its primary motivation, but rather the regulation and control of an unique commodity, which has the potential to contribute to both individual and societal harm—liquor. The shift in focus we have heard more recently concerns us that the purpose of the state's involvement in the alcohol industry, whatever form it may take, is changing from one of public interest to one of filling government coffers.

In light of this we are encouraged in our agreement with the Program Evaluation Division's recommendation to raise the threshold for ABC store elections. Such a change simultaneously respects the local authority of citizens to determine whether or not to allow alcohol sales in their communities and serves to alleviate the financial difficulties presented by over-saturation of small markets. Many of the stores and boards cited in the report as being financially unstable are a direct result of too few patrons for too few stores. Rather than throwing out North Carolina's long and impressive legacy of acting in the best interest of public health by taking authority away from local citizens and doing away with state control of a risky substance, raising the threshold for ABC elections would better ensure efficiently operated stores by requiring a more sustainable level of support in the community. This one simple change, supported by the Program Evaluation Report, would address the root of many of the complaints we have heard about the inefficiency of the state's ABC boards and stores, while maintaining North Carolina's unique citizen-oriented approach to alcohol sales.