

1 HB71
2 216084-1
3 By Representative Oliver
4 RFD: Economic Development and Tourism
5 First Read: 11-JAN-22
6 PFD: 01/10/2022

SYNOPSIS: Under existing law, community development districts may be formed in certain areas of the state, and within which a board of control of the district may authorize the sale of alcoholic beverages, under certain conditions.

This bill would provide that the board of control of a community development district in which the sale of alcoholic beverages has previously been approved may establish within that community development district an entertainment district, within which patrons, guests, or members of an entertainment district licensee may exit those licensed premises with open containers of alcoholic beverages and consumer alcoholic beverages anywhere within the confines of the entertainment district, under certain conditions.

A BILL
TO BE ENTITLED
AN ACT

1
2 Relating to community development districts; to
3 amend Section 35-8B-3, Code of Alabama 1975, relating to sale
4 and distribution of alcoholic beverages within community
5 development districts; to authorize the establishment of
6 entertainment districts within certain community development
7 districts.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. Section 35-8B-3, Code of Alabama 1975, is
10 amended to read as follows:

11 "§35-8B-3.

12 "(a) If a majority of the board of control of a
13 community development district formed under Section
14 35-8B-1(a), (b), or (d) consents to and approves the sale and
15 distribution of alcoholic beverages within the district, it
16 shall be lawful to sell and distribute alcoholic beverages in
17 the community development district in the following manner and
18 subject to the following terms, definitions, and conditions:

19 "(1) Upon being licensed by the Alabama Alcoholic
20 Beverage Control Board, alcoholic beverages may be sold by the
21 club of the district to members and their guests for
22 on-premises consumption only. The club shall be licensed to
23 sell alcoholic beverages to its members and their guests as a
24 club liquor retail licensee by the Alabama Alcoholic Beverage
25 Control Board, upon the club's compliance with the provisions
26 of the alcoholic beverage licensing code and the regulations
27 made thereunder. The original application shall be accompanied

1 by a certificate from the board of control of the district in
2 which the licensed club is located, consenting to and
3 approving the sale of alcoholic beverages at the club. The
4 club shall not be required to present its application or
5 obtain the consent and approval of any authority other than
6 the board of control of the district.

7 "(2) MEMBER. Any person or entity whose membership
8 application has been approved by the club.

9 "(3) ON-PREMISES CONSUMPTION. Consumption on the
10 property of the club, including the club house, the golf
11 course, and other recreational facilities of the club. Sales
12 of alcoholic beverages for on-premises consumption shall be
13 made only by authorized charge to a member's account.

14 "(b) If a majority of the board of control of a
15 community development district formed pursuant to Section
16 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (p),
17 or (q) consents to and approves the sale and distribution of
18 alcoholic beverages within the district for seven days a week,
19 any person within the district licensed by the Alabama
20 Alcoholic Beverage Control Board may sell alcoholic beverages
21 in the district for on-premises consumption.

22 "(c) If a majority of the board of a community
23 development district formed pursuant to Section 35-8B-1(h)
24 consents to and approves the sale of alcoholic beverages
25 within the district for seven days a week, any person within
26 the district with the appropriate license from the Alabama
27 Alcoholic Beverage Control Board may sell alcoholic beverages

1 in the district for on-premises or off-premises consumption,
2 subject to approval by a referendum as provided herein.

3 "(1) If the community development district is
4 situated entirely within the corporate limits of a
5 municipality, then upon a petition by the board of the
6 district being filed with the city or town clerk or governing
7 body of the municipality, the governing body must call a
8 municipal referendum election on the question of whether to
9 authorize the sale of alcoholic beverages in the district as
10 provided in the petition. The municipal election shall be held
11 at the time of the primary, general, county-wide, or municipal
12 election next succeeding the date of the filing of the
13 petition but not less than 82 days from the date of the filing
14 of the petition. The cost of the municipal election, including
15 the cost of notice by publication, shall be paid out of the
16 general fund of the municipality.

17 "(2) If the community development district is not
18 situated entirely within the corporate limits of a
19 municipality, then upon a petition by the board of the
20 district being filed with the probate judge of the county, the
21 probate judge must call a county-wide referendum election on
22 the question of whether to authorize the sale of alcoholic
23 beverages in the district as provided in the petition. The
24 county-wide election shall be held at the time of the
25 regularly scheduled primary or general election next
26 succeeding the date of the filing of the petition but not less
27 than 82 days from the date of the filing of the petition. The

1 cost of the election, including the cost of notice by
2 publication, shall be paid out of the general funds of the
3 county.

4 "(3) Notice of any referendum election called
5 pursuant to the provisions hereof shall be given by the city
6 or town clerk for municipal elections, or by the probate judge
7 for county-wide elections, by publication at least three weeks
8 before the date of the election, in a newspaper in the
9 municipality or county, as appropriate, or, if there be none,
10 by posting such notice at the town or city hall or county
11 courthouse, as appropriate, apprising the voters of the
12 municipality or county that an election will be held to
13 determine whether alcoholic beverages may be sold within the
14 district as provided in the petition.

15 "(4) If a majority of the electors voting in a
16 referendum called pursuant hereto votes "yes" in favor of the
17 question, then the sale of alcoholic beverages in the district
18 as provided in the petition shall be authorized. If a majority
19 of the electors votes "no," then the sale of alcoholic
20 beverages in the district shall be authorized only as provided
21 by the laws in effect for the district prior to the filing of
22 the petition, and the board of the community development
23 district shall not file another petition under this subsection
24 within 12 months of the referendum election.

25 "(d) In any community development district formed
26 pursuant to Section 35-8B-1(e) or (f) in which the sale of
27 alcoholic beverages has been approved pursuant to this

1 section, the board of that district may establish an
2 entertainment district within the district, which may not
3 exceed one-half mile by one-half mile in area, but may be
4 irregularly shaped.

5 "(1) The Alabama Alcoholic Beverage Control Board
6 may issue an entertainment district designation to any
7 retailer licensee that is licensed to sell alcoholic beverages
8 for on-premises consumption and to any manufacturer licensee
9 that conducts tastings or samplings on the licensed premises,
10 provided the licensees are located in an entertainment
11 district established pursuant to this subsection.

12 "(2) Notwithstanding any provision of law to the
13 contrary, a licensee who receives an entertainment district
14 designation under this subsection shall comply with all laws
15 and rules governing its license type, as well as the
16 limitations specified in this section, except that patrons,
17 guests, or members of that licensee may exit that licensed
18 premises with open containers of alcoholic beverages and
19 consumer alcoholic beverages anywhere within the confines of
20 the entertainment district.

21 "(3)a. For purposes of this subsection, the term
22 on-premises as applied to consumption within the entertainment
23 district shall include anywhere within the district,
24 regardless of the terms or conditions of licensure.

25 "b. The permission granted by this subsection
26 permitting the consumption of alcoholic beverages anywhere

1 within the confines of the entertainment district shall not be
2 construed to extend the confines of the licensed premises.

3 "(4) The operation of an entertainment district
4 established in a community development district pursuant to
5 this subsection shall not be affected by any future annexation
6 of that district or any part of that district into a
7 municipality.

8 ~~"(d)~~ (e) In addition to the limitations specified in
9 this section, with regard to a community development district
10 defined in subsections (a) and (b), alcoholic beverages shall
11 be sold only for on-premises consumption, as defined in
12 subdivision (a) (3), and in regard to a community development
13 district defined in subsection (b), alcoholic beverages shall
14 not be sold within 3,000 feet of the south right-of-way of any
15 state or federal highway adjacent to any such district."

16 Section 2. This act shall become effective on the
17 first day of the third month following its passage and
18 approval by the Governor, or its otherwise becoming law.