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

ENGROSSED
A BILL
TO BE ENTITLED
AN ACT
Relating to community development districts; to
amend Section 35-8B-3, Code of Alabama 1975, relating to sale
and distribution of alcoholic beverages within community
development districts; to authorize the establishment of
entertainment districts within certain community development
districts.
BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
Section 1. Section 35-8B-3, Code of Alabama 1975, is
amended to read as follows:
"§35-8B-3.
"(a) If a majority of the board of control of a
community development district formed under Section
35-8B-1(a), (b), or (d) consents to and approves the sale and
distribution of alcoholic beverages within the district, it
shall be lawful to sell and distribute alcoholic beverages in
the community development district in the following manner and
subject to the following terms, definitions, and conditions:
"(1) Upon being licensed by the Alabama Alcoholic
Beverage Control Board, alcoholic beverages may be sold by the
club of the district to members and their guests for

on-premises consumption only. The club shall be licensed to 1 2 sell alcoholic beverages to its members and their guests as a club liquor retail licensee by the Alabama Alcoholic Beverage 3 Control Board, upon the club's compliance with the provisions 4 5 of the alcoholic beverage licensing code and the regulations 6 made thereunder. The original application shall be accompanied 7 by a certificate from the board of control of the district in which the licensed club is located, consenting to and 8 9 approving the sale of alcoholic beverages at the club. The 10 club shall not be required to present its application or obtain the consent and approval of any authority other than 11 the board of control of the district. 12

13 "(2) MEMBER. Any person or entity whose membership14 application has been approved by the club.

15 "(3) ON-PREMISES CONSUMPTION. Consumption on the 16 property of the club, including the club house, the golf 17 course, and other recreational facilities of the club. Sales 18 of alcoholic beverages for on-premises consumption shall be 19 made only by authorized charge to a member's account.

20 "(b) If a majority of the board of control of a 21 community development district formed pursuant to Section 22 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (p), 23 or (q) consents to and approves the sale and distribution of 24 alcoholic beverages within the district for seven days a week, 25 any person within the district licensed by the Alabama 26 Alcoholic Beverage Control Board may sell alcoholic beverages in the district for on-premises consumption. 27

"(c) If a majority of the board of a community 1 2 development district formed pursuant to Section 35-8B-1(h) consents to and approves the sale of alcoholic beverages 3 within the district for seven days a week, any person within 4 5 the district with the appropriate license from the Alabama Alcoholic Beverage Control Board may sell alcoholic beverages 6 7 in the district for on-premises or off-premises consumption, subject to approval by a referendum as provided herein. 8

"(1) If the community development district is 9 10 situated entirely within the corporate limits of a municipality, then upon a petition by the board of the 11 district being filed with the city or town clerk or governing 12 13 body of the municipality, the governing body must call a municipal referendum election on the question of whether to 14 15 authorize the sale of alcoholic beverages in the district as provided in the petition. The municipal election shall be held 16 at the time of the primary, general, county-wide, or municipal 17 18 election next succeeding the date of the filing of the petition but not less than 82 days from the date of the filing 19 20 of the petition. The cost of the municipal election, including 21 the cost of notice by publication, shall be paid out of the 22 general fund of the municipality.

"(2) If the community development district is not situated entirely within the corporate limits of a municipality, then upon a petition by the board of the district being filed with the probate judge of the county, the probate judge must call a county-wide referendum election on

the question of whether to authorize the sale of alcoholic 1 2 beverages in the district as provided in the petition. The county-wide election shall be held at the time of the 3 regularly scheduled primary or general election next 4 5 succeeding the date of the filing of the petition but not less than 82 days from the date of the filing of the petition. The 6 7 cost of the election, including the cost of notice by publication, shall be paid out of the general funds of the 8 9 county.

10 "(3) Notice of any referendum election called pursuant to the provisions hereof shall be given by the city 11 or town clerk for municipal elections, or by the probate judge 12 13 for county-wide elections, by publication at least three weeks 14 before the date of the election, in a newspaper in the 15 municipality or county, as appropriate, or, if there be none, by posting such notice at the town or city hall or county 16 courthouse, as appropriate, apprising the voters of the 17 18 municipality or county that an election will be held to determine whether alcoholic beverages may be sold within the 19 20 district as provided in the petition.

"(4) If a majority of the electors voting in a referendum called pursuant hereto votes "yes" in favor of the question, then the sale of alcoholic beverages in the district as provided in the petition shall be authorized. If a majority of the electors votes "no," then the sale of alcoholic beverages in the district shall be authorized only as provided by the laws in effect for the district prior to the filing of

1	the petition, and the board of the community development			
2	district shall not file another petition under this subsection			
3	within 12 months of the referendum election.			
4	"(d) In any community development district formed			
5	pursuant to Section 35-8B-1(e) or (f) in which the sale of			
6	alcoholic beverages has been approved pursuant to this			
7	section, the board of that district may establish an			
8	entertainment district within the district, which may not			
9	exceed one-half mile by one-half mile in area, but may be			
10	irregularly shaped.			
11	"(1) The Alabama Alcoholic Beverage Control Board			
12	may issue an entertainment district designation to any			
13	retailer licensee that is licensed to sell alcoholic beverages			
14	for on-premises consumption and to any manufacturer licensee			
15	that conducts tastings or samplings on the licensed premises,			
16	provided the licensees are located in an entertainment			
17	district established pursuant to this subsection.			
18	"(2) Notwithstanding any provision of law to the			
19	contrary, a licensee who receives an entertainment district			
20	designation under this subsection shall comply with all laws			
21	and rules governing its license type, as well as the			
22	limitations specified in this section, except that patrons,			
23	guests, or members of that licensee may exit that licensed			
24	premises with open containers of alcoholic beverages and			
25	consumer alcoholic beverages anywhere within the confines of			
26	the entertainment district.			

1	" <u>(3)a. For purposes of this subsection, the term</u>
2	on-premises as applied to consumption within the entertainment
3	district shall include anywhere within the district,
4	regardless of the terms or conditions of licensure.
5	"b. The permission granted by this subsection
6	permitting the consumption of alcoholic beverages anywhere
7	within the confines of the entertainment district shall not be
8	construed to extend the confines of the licensed premises.
9	"(4) The operation of an entertainment district
10	established in a community development district pursuant to
11	this subsection shall not be affected by any future annexation
12	of that district or any part of that district into a
13	municipality.
14	" <del>(d)<u>(</u>e)</del> In addition to the limitations specified in
15	
	this section, with regard to a community development district
16	this section, with regard to a community development district defined in subsections (a) and (b), alcoholic beverages shall
16 17	

district defined in subsection (b), alcoholic beverages shall not be sold within 3,000 feet of the south right-of-way of any state or federal highway adjacent to any such district."

22 Section 2. This act shall become effective on the 23 first day of the third month following its passage and 24 approval by the Governor, or its otherwise becoming law.

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3	House of Representatives	
4 5 6 7 8	Read for the first time and re- ferred to the House of Representa- tives committee on Economic Devel- opment and Tourism	11-JAN-22
9 10 11	Read for the second time and placed on the calendar	02-FEB-22
12 13		08-FEB-22
14	Yeas 80, Nays 5, Abstains 15	

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16	Jeff Woodard
17	Clerk

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