

1 HB215  
2 216404-1  
3 By Representative Ball  
4 RFD: Economic Development and Tourism  
5 First Read: 02-FEB-22

SYNOPSIS: Under existing law, the governing body of certain municipalities may establish entertainment districts within the corporate limits, under certain conditions, within which any retailer licensee of the Alcoholic Beverage Control Board may allow consumers to exit the licensed premises with open containers of alcoholic beverages, under certain conditions.

This bill would increase the allowable number of entertainment districts within a Class 3 municipality from five to nine.

This bill would also make nonsubstantive, technical revisions to update the existing code language to current style.

A BILL  
TO BE ENTITLED  
AN ACT

1           Relating to entertainment districts, to amend  
2           Section 28-3A-17.1, Code of Alabama 1975, as amended by Act  
3           2021-350 of the 2021 Regular Session, relating to the  
4           establishment of entertainment districts, to further provide  
5           for entertainment districts in Class 3 municipalities; and to  
6           make nonsubstantive, technical revisions to update the  
7           existing code language to current style.

8           BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9           Section 1. Section 28-3A-17.1, Code of Alabama 1975,  
10          as amended by Act 2021-350 of the 2021 Regular Session, is  
11          amended to read as follows:

12                 "§28-3A-17.1.

13                 "(a) (1) Notwithstanding any rule adopted by the  
14          board, the board may issue an entertainment district  
15          designation to any retailer licensee that is licensed to sell  
16          alcoholic beverages for on-premises consumption and to any  
17          manufacturer licensee that conducts tastings or samplings on  
18          the licensed premises, provided the licensees are located in  
19          an entertainment district established pursuant to this  
20          section.

21                 "(2) A licensee who receives an entertainment  
22          district designation under this subsection shall comply with  
23          all laws and rules governing its license type, except that the  
24          patrons, guests, or members of that licensee may exit that  
25          licensed premises with open containers of alcoholic beverages  
26          and consume alcoholic beverages anywhere within the confines  
27          of the entertainment district, which shall be permitted, but

1 may not enter another licensed premises with open containers  
2 or closed containers of alcoholic beverages acquired  
3 elsewhere.

4 "(3) The permission granted by this subsection  
5 permitting the consumption of alcoholic beverages anywhere  
6 within the confines of the entertainment district shall not  
7 extend the confines of the licensed premises.

8 "(b) The governing body of any Class 5 municipality  
9 covered by Act 2013-382, or a municipality with an  
10 incorporated arts council, main street program, or downtown  
11 development entity, may establish not more than two  
12 entertainment districts within its corporate limits, each of  
13 which must have not fewer than four licensees holding a retail  
14 liquor license in that area, and each district may not exceed  
15 one-half mile by one-half mile in area, but may be irregularly  
16 shaped.

17 "(c) The governing body of a Class 1 municipality,  
18 Class 2 municipality, Class 3 municipality, Class 4  
19 municipality, or any municipality that is located 15 miles  
20 north of the Gulf of Mexico, may establish up to ~~five~~ nine  
21 entertainment districts within the corporate limits, each of  
22 which must have not fewer than four licensees holding a  
23 manufacturer's license that conducts tastings or samplings on  
24 the licensed premises, a restaurant retail liquor license, an  
25 on-premises alcoholic beverage license, or other retail liquor  
26 license in that area, and each district may not exceed

1 one-half mile by one-half mile in area, but may be irregularly  
2 shaped.

3 "(d) The governing body of a Class 8 municipality  
4 which is located in a county with a Class 3 municipality may  
5 establish two entertainment districts within its corporate  
6 limits that may not have fewer than four licensees holding a  
7 retail liquor license in that area, and each district may not  
8 exceed one-half mile by one-half mile in area, but may be  
9 irregularly shaped.

10 "(e) For the purposes of subsection (c), the term  
11 on-premises as applied to consumption within the entertainment  
12 district shall include anywhere within the district,  
13 regardless of the terms and conditions of licensure.

14 "(f) In a Class 2 municipality, the licensed  
15 premises in an entertainment district of a holder of a retail  
16 liquor license shall include the area on a municipal sidewalk  
17 or deck immediately adjacent or connected to the premises and,  
18 during special events, directly outside the entrance to the  
19 premises.

20 "(g) The governing body of a Class 8 municipality  
21 that is located in a county with a Class 2 municipality and is  
22 primarily located on an island may establish three  
23 entertainment districts within its corporate limits. One  
24 district must have no fewer than two licensees holding a  
25 retail liquor license in a business or commercial area; one  
26 district may be established in a business or commercial area  
27 at times when special events are held as designated by the

1 governing body; and one district may be established on  
2 property owned by the Dauphin Island Property Owners  
3 Association and known as the Isle Dauphine Complex. Each  
4 district may not exceed one-half mile by one-half mile in  
5 area, but may be irregularly shaped.

6 "(1) For purposes of this subsection, the term  
7 on-premises as applied to consumption within the entertainment  
8 district shall include anywhere within the district,  
9 regardless of the terms or conditions of licensure.

10 "(2) For purposes of this subsection, with the  
11 approval of the local governing body and the board, the  
12 licensed premises in an entertainment district of a holder of  
13 a retail liquor license shall include the area on a deck,  
14 boardwalk, or municipal sidewalk immediately adjacent or  
15 connected to the premises and, during special events, directly  
16 outside the entrance to the premises. The licensee must  
17 possess legal control over all property that is included in  
18 the premises licensed by the board.

19 "(h) (1) The governing body of a Class 8 municipality  
20 that meets all of the following qualifications may establish  
21 three entertainment districts within its corporate limits,  
22 provided that each district has no fewer than four licensees  
23 holding a retail liquor license in that area, and each  
24 district does not exceed one-half mile by one-half mile in  
25 area, but may be irregularly shaped:

26 "a. The municipality is not in a county with a Class  
27 2 municipality.

1            "b. The municipality abuts or spans the Intracoastal  
2 Waterway and abuts the Gulf of Mexico.

3            "c. The municipality has an incorporated arts  
4 council, main street program, or downtown development entity.

5            "(2) For purposes of this subsection, the term  
6 on-premises as applied to consumption within the entertainment  
7 district shall include anywhere within the district regardless  
8 of the terms or conditions of licensure.

9            "(3) For purposes of this subsection, with the  
10 approval of the local governing body and the board, the  
11 licensed premises in an entertainment district of a holder of  
12 a retail liquor license shall include the area on a deck,  
13 boardwalk, or municipal sidewalk immediately adjacent or  
14 connected to the premises and, during special events, directly  
15 adjacent to the entrance of the premises. The licensee must  
16 possess legal control over all property that is included in  
17 the premises licensed by the board.

18            "(i) All laws or parts of laws which conflict with  
19 this section are repealed. All general, local, and special  
20 laws or parts of ~~such laws insofar as they designate or~~  
21 ~~restrict the boundaries, size, or area of such entertainment~~  
22 ~~districts~~ are hereby repealed to the extent that they  
23 designate or restrict the boundaries, size, or area of  
24 entertainment districts."

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

