

1 SB64
2 216084-2
3 By Senator Chambliss
4 RFD: Governmental Affairs
5 First Read: 11-JAN-22

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

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11 Relating to community development districts; to
12 amend Section 35-8B-3, Code of Alabama 1975, relating to sale
13 and distribution of alcoholic beverages within community
14 development districts; to authorize the establishment of
15 entertainment districts within certain community development
16 districts.

17 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

20 "§35-8B-3.

21 "(a) If a majority of the board of control of a
22 community development district formed under Section
23 35-8B-1(a), (b), or (d) consents to and approves the sale and
24 distribution of alcoholic beverages within the district, it
25 shall be lawful to sell and distribute alcoholic beverages in
26 the community development district in the following manner and
27 subject to the following terms, definitions, and conditions:

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

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

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

23 "(b) If a majority of the board of control of a
24 community development district formed pursuant to Section
25 35-8B-1(e), (f), (g), (h), (i), (j), (k), (l), (m), (n), (p),
26 or (q) consents to and approves the sale and distribution of
27 alcoholic beverages within the district for seven days a week,

1 any person within the district licensed by the Alabama
2 Alcoholic Beverage Control Board may sell alcoholic beverages
3 in the district for on-premises consumption.

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

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

26 "(2) If the community development district is not
27 situated entirely within the corporate limits of a

1 municipality, then upon a petition by the board of the
2 district being filed with the probate judge of the county, the
3 probate judge must call a county-wide referendum election on
4 the question of whether to authorize the sale of alcoholic
5 beverages in the district as provided in the petition. The
6 county-wide election shall be held at the time of the
7 regularly scheduled primary or general election next
8 succeeding the date of the filing of the petition but not less
9 than 82 days from the date of the filing of the petition. The
10 cost of the election, including the cost of notice by
11 publication, shall be paid out of the general funds of the
12 county.

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

24 "(4) If a majority of the electors voting in a
25 referendum called pursuant hereto votes "yes" in favor of the
26 question, then the sale of alcoholic beverages in the district
27 as provided in the petition shall be authorized. If a majority

1 of the electors votes "no," then the sale of alcoholic
2 beverages in the district shall be authorized only as provided
3 by the laws in effect for the district prior to the filing of
4 the petition, and the board of the community development
5 district shall not file another petition under this subsection
6 within 12 months of the referendum election.

7 "(d) In any community development district formed
8 pursuant to Section 35-8B-1(e) or (f) in which the sale of
9 alcoholic beverages has been approved pursuant to this
10 section, the board of that district may establish an
11 entertainment district within the district, which may not
12 exceed one-half mile by one-half mile in area, but may be
13 irregularly shaped.

14 "(1) The Alabama Alcoholic Beverage Control Board
15 may issue an entertainment district designation to any
16 retailer licensee that is licensed to sell alcoholic beverages
17 for on-premises consumption and to any manufacturer licensee
18 that conducts tastings or samplings on the licensed premises,
19 provided the licensees are located in an entertainment
20 district established pursuant to this subsection.

21 "(2) Notwithstanding any provision of law to the
22 contrary, a licensee who receives an entertainment district
23 designation under this subsection shall comply with all laws
24 and rules governing its license type, as well as the
25 limitations specified in this section, except that patrons,
26 guests, or members of that licensee may exit that licensed
27 premises with open containers of alcoholic beverages and

1 consumer alcoholic beverages anywhere within the confines of
2 the entertainment district.

3 "(3)a. For purposes of this subsection, the term
4 on-premises as applied to consumption within the entertainment
5 district shall include anywhere within the district.

6 "b. The permission granted by this subsection
7 permitting the consumption of alcoholic beverages anywhere
8 within the confines of the entertainment district shall not be
9 construed to extend the confines of the licensed premises.

10 "(4) The operation of an entertainment district
11 established in a community development district pursuant to
12 this subsection shall not be affected by any future annexation
13 of that district or any part of that district into a
14 municipality.

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

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

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Senate

Read for the first time and referred to the Senate
committee on Governmental Affairs..... 11-JAN-22

Read for the second time and placed on the calen-
dar 1 amendment..... 18-JAN-22

Read for the third time and passed as amended 01-FEB-22

Yeas 31
Nays 0

Patrick Harris,
Secretary.