

SB321 INTRODUCED



1 ZSTSRW-1
2 By Senator Singleton
3 RFD: Tourism
4 First Read: 11-May-23
5
6 2023 Regular Session



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SYNOPSIS:

Existing law makes no specific provisions regarding the retail sale, wholesale, or tax on the sale of low-alcohol by volume content beverages from liquor. These beverages are not available for distribution through beer and table wine wholesalers.

This bill would define a new category of ready to drink mixed liquor beverages containing no more than 12.5 percent alcohol by volume called "mixed spirit beverages."

This bill would require all mixed spirit beverages, other than those distributed by the Alcoholic Beverage Control Board, to be distributed through a licensed wholesaler and sold to licensed retailers in Alabama for on-premises and off-premises consumption.

This bill would provide for the levy of a privilege or excise tax on mixed spirit beverages.

Under existing law, the responsible vendors program requires employees of retail establishments to pass a course of instruction relating to underage drinking and overconsumption of alcoholic beverages. This course is administered by a third person.

This bill would require the board to administer the course of instruction for the responsible vendors



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29 program and require that the course be administered
30 online.

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

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A BILL

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TO BE ENTITLED

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AN ACT

40

41 Relating to alcoholic beverages; to amend Sections
42 28-3-1, 28-3A-3, 28-3A-21, and 28-3A-23, Code of Alabama 1975
43 and add Sections 28-3-208, 28-3A-9.1, and 28-3A-17.2 to the
44 Code of Alabama 1975; to define a new category of low-alcohol
45 content liquor beverages called mixed spirit beverages; to
46 levy taxes upon the distribution of these beverages; to
47 provide for licensure of retailers of mixed spirit beverages
48 and set a fee for licensure; to amend Sections 28-10-4,
49 28-10-5 and 28-10-6, Code of Alabama 1975, to provide further
50 for the responsible vendors program; and to make
51 nonsubstantive, technical revisions to update the existing
52 code language to current style.

53

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

54

55 Section 1. The Legislature hereby finds and declares
56 that this act is enacted pursuant to the authority granted to
the state under the Twenty-First Amendment to the United



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57 States Constitution, the powers reserved to the state under
58 the Tenth Amendment to the United States Constitution, and the
59 inherent powers of the state under the Constitution of Alabama
60 of 2022, in order to regulate the traffic of alcoholic
61 beverages and to substitute the regulations and oversight
62 established in this act for the application of federal and
63 state antitrust laws that otherwise would apply to any
64 potential anti-competitive effects of this title. For the
65 avoidance of doubt, the intent of the Legislature is to
66 maintain the uniform three-tier system of control over the
67 sale, purchase, taxation, transportation, manufacture,
68 consumption, and possession of alcoholic beverages in the
69 state to promote the health, safety, and welfare of residents
70 of this state by, among other purposes, ensuring the state
71 shall be able to register, audit, inspect, seize, recall, and
72 test alcoholic beverages shipped into, distributed, and sold
73 throughout this state; and this expression of the policy and
74 intent of the Legislature is intended to satisfy the clear
75 articulation test for state action immunity as has been
76 established by the United States Supreme Court in California
77 Retail Liquor Dealers Assn. v. Midcal Aluminum, Inc., et al.

78 Section 2. Section 28-3-1, Code of Alabama 1975, is
79 amended to read as follows:

80 "§28-3-1

81 As used in this title, the following words ~~shall~~ have
82 the following meanings unless the context clearly indicates
83 otherwise:

84 (1) ALCOHOLIC BEVERAGES. Any alcoholic, spirituous,



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85 vinous, fermented, or other alcoholic beverage, or combination
86 of liquors and mixed liquor, a part of which is spirituous,
87 vinous, fermented, or otherwise alcoholic, and all drinks or
88 drinkable liquids, preparations, or mixtures intended for
89 beverage purposes, which contain one-half of one percent or
90 more of alcohol by volume, ~~and shall include.~~ The term

91 includes liquor, beer, ~~and wine,~~ and mixed spirit beverages.

92 (2) ASSOCIATION. A partnership, limited partnership, or
93 any form of unincorporated enterprise owned by two or more
94 persons.

95 (3) BEER, or MALT OR BREWED BEVERAGES. Any beer, lager
96 beer, ale, porter, malt or brewed beverage, or similar
97 fermented beverage containing one-half of one percent or more
98 of alcohol by volume and not in excess of ~~thirteen and~~
99 ~~nine-tenths~~ 13.9 percent alcohol by volume, brewed or produced
100 from malt, wholly or in part, or from rice, grain of any kind,
101 bran, glucose, sugar, or molasses. A beer or malt or brewed
102 beverage may incorporate honey, fruit, fruit juice, fruit
103 concentrate, herbs, spices, or other flavorings during the
104 fermentation process. The term does not include any product
105 defined as liquor, table wine, or wine.

106 (4) BOARD. The Alcoholic Beverage Control Board.

107 (5) BRANDY. All beverages that are an alcoholic
108 distillate from the fermented juice, mash, or wine of fruit,
109 or from the residue thereof, produced in such manner that the
110 distillate possesses the taste, aroma, and characteristics
111 generally attributed to the beverage, as bottled at not less
112 than 80 degree proof.



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113 (6) CARTON. The package or container or containers in
114 which alcoholic beverages are originally packaged for shipment
115 to market by the manufacturer or its designated
116 representatives or the importer.

117 (7) CIDER. A fermented alcoholic beverage made from
118 apple juice and containing not more than 8.5 percent alcohol
119 by volume.

120 (8) CLUB.

121 a. Class I. A corporation or association organized or
122 formed in good faith by authority of law and which must have
123 at least 150 paid-up members. It must be the owner, lessee, or
124 occupant of an establishment operated solely for the objects
125 of a national, social, patriotic, political, or athletic
126 nature or the like, but not for pecuniary gain, and the
127 property as well as the advantages of which, belong to all the
128 members and which maintains an establishment provided with
129 special space and accommodations where, in consideration of
130 payment, food with or without lodging is habitually served.
131 The club shall hold regular meetings, continue its business
132 through officers regularly elected, admit members by written
133 application, investigation, and ballot, and charge and collect
134 dues from elected members.

135 b. Class II. A corporation or association organized or
136 formed in good faith by authority of law and which must have
137 at least 100 paid-up members. It must be the owner, lessee, or
138 occupant of an establishment operated solely for the objects
139 of a national, social, patriotic, political, or athletic
140 nature or the like. The club shall hold regular meetings,



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141 continue its business through officers regularly elected,
142 admit members by written application, investigation, and
143 ballot, and charge and collect dues from elected members.

144 (9) CONTAINER. The single bottle, can, keg, bag, or
145 other receptacle, but not a carton, in which alcoholic
146 beverages are originally packaged for the market by the
147 manufacturer or importer and from which the alcoholic beverage
148 is consumed by or dispensed to the public.

149 (10) CORPORATION. A corporation or joint stock
150 association organized under the laws of this state, the United
151 States, or any other state, territory, or foreign country, or
152 dependency.

153 (11) DELIVERY. The transportation of alcoholic
154 beverages directly from a retail licensee of the board to an
155 individual, pursuant to Section 28-1-4 and Section 28-3A-13.1.

156 (12) DELIVERY SERVICE LICENSE. A license issued by the
157 Alabama Alcoholic Beverage Control Board in accordance with
158 Section 28-3A-13.1 that authorizes the licensee, the
159 licensee's employees, or independent contractors under a
160 contractual or business arrangement with the licensee to
161 transport and deliver alcoholic beverages.

162 (13) DRY COUNTY. Any county which by a majority of
163 those voting voted in the negative in an election ~~heretofore~~
164 held under the applicable statutes at the time of the election
165 or may hereafter vote in the negative in an election or
166 special method referendum hereafter held in accordance with
167 Chapter 2, or held in accordance with ~~the provisions of~~ any
168 act hereafter enacted permitting such election.



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169 (14) DRY MUNICIPALITY. Any municipality within a wet
170 county which has, by its governing body or by a majority of
171 those voting in a municipal election heretofore held in
172 accordance with the provisions of Section 28-2-22, or in a
173 municipal option election heretofore or hereafter held in
174 accordance with ~~the provisions of Act 84-408, Acts of Alabama~~
175 ~~1984, appearing as~~ Chapter 2A, or any act hereafter enacted
176 permitting municipal option election, voted to exclude the
177 sale of alcoholic beverages within the corporate limits of the
178 municipality.

179 (15) EMPLOYEE. An individual to whom an employer is
180 required to issue a W-2 tax form under federal law.

181 (16) GENERAL WELFARE PURPOSES. All of the following:

182 a. The administration of public assistance as set out
183 in Sections 38-2-5 and 38-4-1.

184 b. Services, including supplementation and
185 supplementary services under the federal Social Security Act,
186 to or on behalf of persons to whom public assistance may be
187 given under Sections 38-2-5 and 38-4-1.

188 c. Service to and on behalf of dependent, neglected, or
189 delinquent children.

190 d. Investigative and referral services to and on behalf
191 of needy persons.

192 (17) HEARING COMMISSION. A body appointed by the board
193 to hear and decide all contested license applications and all
194 disciplinary charges against any licensee for violation of
195 this title or the rules of the board.

196 (18) HOTEL. A building or buildings held out to the



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197 public for housing accommodations of travelers or transients,
198 and shall include motel, but shall not include a rooming house
199 or boarding house.

200 (19) IMPORTER. Any person, association, or corporation
201 engaged in importing alcoholic beverages, liquor, wine, ~~or~~
202 beer, or mixed spirit beverages manufactured outside of the
203 United States of America into this state or for sale or
204 distribution in this state, or to the board or to a licensee
205 of the board.

206 (20) INDEPENDENT CONTRACTOR. An individual to whom an
207 employer is required to issue a 1099 tax form under federal
208 law.

209 (21) KEG. A pressurized factory sealed container with a
210 capacity equal to or greater than five U.S. gallons, from
211 which beer is withdrawn by means of an external tap.

212 (22) LIQUOR. Any alcoholic, spirituous, vinous,
213 fermented, or other alcoholic beverage, or combination of
214 liquors and mixed liquor, a part of which is spirituous,
215 fermented, vinous, or otherwise alcoholic, and all drinks or
216 drinkable liquids, preparations, or mixtures intended for
217 beverage purposes, which contain one-half of one percent or
218 more of alcohol by volume, except beer and table wine.

219 (23) LIQUOR STORE. A liquor store operated by the
220 board, where alcoholic beverages other than beer are
221 authorized to be sold in unopened containers.

222 (24) MANUFACTURER. Any person, association, or
223 corporation engaged in the producing, bottling, manufacturing,
224 distilling, fermenting, brewing, rectifying, or compounding of



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225 alcoholic beverages, liquor, beer, ~~or~~ wine, or mixed spirit
226 beverages in this state or for sale or distribution in this
227 state or to the board or to a licensee of the board.

228 (25) MEAD. An alcoholic beverage produced by fermenting
229 a solution of honey and water with grain mash and containing
230 not more than 18 percent alcohol by volume.

231 (26) MEAL. A diversified selection of food some of
232 which is not susceptible of being consumed in the absence of
233 at least some articles of tableware and which cannot be
234 conveniently consumed while one is standing or walking about.

235 (27) MINOR. Any person under 21 years of age; provided,
236 however, in the event Section 28-1-5~~r~~ shall be repealed or
237 otherwise shall be no longer in effect, ~~thereafter~~ the
238 provisions of Section 26-1-1, shall govern.

239 (28) MIXED SPIRIT BEVERAGE. A single-serve beverage
240 containing liquor, packaged in a can or a container approved
241 by the board no larger than 16 ounces or 480 milliliters, and
242 which contains no more than 12.5 percent alcohol by volume.
243 The term does not include any beverage containing liquor over
244 16 ounces or 480 milliliters in size, or of more than 12.5
245 percent alcohol by volume.

246 ~~(28)~~ (29) MUNICIPALITY. Any incorporated city or town of
247 this state to include its police jurisdiction.

248 ~~(29)~~ (30) PERSON. Every natural person, association, or
249 corporation. Whenever used in a clause prescribing or imposing
250 a fine or imprisonment, or both, such term as applied to
251 association shall mean the partners or members thereof and as
252 applied to corporation shall mean the officers thereof, except



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253 as to incorporated clubs the term person shall mean such
254 individual or individuals who, under the bylaws of such clubs,
255 shall have jurisdiction over the possession and sale of liquor
256 therein.

257 ~~(30)~~ (31) POPULATION. The population according to the
258 last preceding or any subsequent decennial census of the
259 United States, except where a municipality is incorporated
260 subsequent to the last census, in which event, its population
261 until the next decennial census shall be the population of the
262 municipality as determined by the judge of probate of the
263 county as the official population on the date of its
264 incorporation.

265 ~~(31)~~ (32) RESTAURANT. A reputable place licensed as a
266 restaurant, operated by a responsible person of good
267 reputation and habitually and principally used for the purpose
268 of preparing and serving meals for the public to consume on
269 the premises.

270 ~~(32)~~ (33) RETAILER. Any person licensed by the board to
271 engage in the retail sale of any alcoholic beverages to the
272 consumer.

273 ~~(33)~~ (34) SALE or SELL. Any transfer of liquor, wine, ~~or~~
274 beer, or mixed spirit beverages for a consideration, and any
275 gift in connection with, or as a part of, a transfer of
276 property other than liquor, wine, ~~or~~ beer, or mixed spirit
277 beverages for a consideration.

278 ~~(34)~~ (35) SELLING PRICE. The total marked-up price of
279 spirituous or vinous liquors sold by the board, exclusive of
280 taxes levied thereon.



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281 ~~(35)~~ (36) TABLE WINE. Except as otherwise provided in
282 this subdivision, any wine containing not more than 24 percent
283 alcohol by volume. Table wine does not include any wine
284 containing more than ~~sixteen and one-half~~ 16.5 percent alcohol
285 by volume that is made with herbs or flavors, except vermouth,
286 or is an imitation or other than standard wine. Table wine is
287 not liquor, spirituous, or vinous.

288 ~~(36)~~ (37) UNOPENED CONTAINER. A container containing
289 alcoholic beverages, which has not been opened or unsealed
290 subsequent to filling and sealing by the manufacturer or
291 importer.

292 ~~(37)~~ (38) WET COUNTY. Any county which by a majority of
293 those voting voted in the affirmative in an election
294 heretofore held in accordance with the statutes applicable at
295 the time of the election or may hereafter vote in the
296 affirmative in an election or special method referendum held
297 in accordance with Chapter 2, or other statutes applicable at
298 the time of the election.

299 ~~(38)~~ (39) WET MUNICIPALITY. Any municipality in a dry
300 county which by a majority of those voting voted in the
301 affirmative in a municipal option election heretofore or
302 hereafter held in accordance with ~~the provisions of Act~~
303 ~~84-408, Acts of Alabama 1984, appearing as Chapter 2A of this~~
304 ~~title, as amended,~~ or any act hereafter enacted permitting
305 municipal option election, or any municipality which became
306 wet by vote of the governing body or by the voters of the
307 municipality heretofore or hereafter held under the special
308 method referendum provisions of Section 28-2-22, or as



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309 hereafter provided, where the county has become dry subsequent
310 to the elected wet status of the municipality.

311 ~~(39)~~ (40) WHOLESALER. Any person licensed by the board
312 to engage in the sale and distribution of table wine, ~~and~~
313 beer, or mixed spirit beverages, or ~~either of them~~ any
314 combination thereof, within this state, at wholesale only, to
315 be sold by export or to retail licensees or other wholesale
316 licensees or others within this state lawfully authorized to
317 sell table wine, ~~and~~ beer, or mixed spirit beverages, or
318 ~~either of them~~ any combination thereof, for the purpose of
319 resale only.

320 ~~(40)~~ (41) WINE. All beverages made from the fermentation
321 of fruits, berries, or grapes, with or without added spirits,
322 and produced in accordance with the laws and regulations of
323 the United States, containing not more than 24 percent alcohol
324 by volume, and shall include all sparkling wines, carbonated
325 wines, special natural wines, rectified wines, vermouths,
326 vinous beverages, vinous liquors, and like products, including
327 restored or unrestored pure condensed juice."

328 Section 3. Section 28-3-208 is added to the Code of
329 Alabama 1975, to read as follows:

330 §28-3-208

331 (a) Levy. There is hereby levied, in addition to the
332 license taxes provided for by this chapter and municipal and
333 county license taxes, a privilege or excise tax measured by
334 and graduated in accordance with the volume of sales of mixed
335 spirit beverages. The tax shall be an amount equal to
336 ninety-eight cents (\$.98) per 12 fluid ounces or fractional



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337 part thereof.

338 (b) Collection, Monthly Return, Remittance, Right to
339 Examine Books and Records.

340 (1)a. The tax levied by subsection (a) shall be added
341 to the sales price of all mixed spirit beverages and shall be
342 collected from the retail purchasers. The tax shall be
343 collected in the first instance from the wholesaler where
344 mixed spirit beverages are sold or handled by wholesale
345 licensees.

346 b. It shall be unlawful for any person who is required
347 to pay the tax in the first instance to fail or refuse to add
348 to the sales price and collect from the purchaser the required
349 amount of tax, it being the intent and purpose of this section
350 that the tax levied is in fact a levy on the retail purchaser.
351 The person who pays the tax in the first instance is acting as
352 an agent of the state for the collection and payment of the
353 tax and as such may not collect a tax on mixed spirit
354 beverages for any other level of government.

355 (2) The tax levied by subsection (a) shall be collected
356 by a monthly return, which shall be filed by wholesale
357 licensees as follows:

358 a. A monthly return shall be filed with the board on a
359 form as prescribed or approved by the board by rule not later
360 than the 15th day of the second month following the month of
361 receipt of mixed spirit beverages by the wholesaler, showing
362 receipts by the wholesaler from manufacturer, importer, or
363 other wholesaler licensees during the month of receipt and the
364 taxes due thereon at the rate of ninety-eight cents (\$.98) per



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365 12 fluid ounces or fractional part thereof of mixed spirit
366 beverages sold to the wholesaler licensee. The taxes due under
367 this paragraph shall be remitted to the board along with the
368 return.

369 b. A monthly return shall be filed with the county or
370 municipality within which the mixed spirit beverage is sold at
371 retail not later than the 15th day of each month, showing
372 sales by wholesalers during the preceding month and the county
373 or municipality in which sold and the taxes due thereon at the
374 rate of eight cents (\$.08) per 12 fluid ounces or fractional
375 part thereof. The taxes due under this paragraph shall be
376 remitted to the county or municipality along with the return.

377 (3) The board and the governing body of each county and
378 municipality served by the wholesaler may examine the books
379 and records of any person who sells, stores, or receives for
380 the purpose of distribution any mixed spirit beverages, to
381 determine the accuracy of any return required to be filed with
382 it.

383 (c) Disposition of proceeds. The proceeds of the tax
384 levied by subsection (a) and remitted by subsection (b) shall
385 be paid and distributed as follows:

386 (1) Sixty-five cents (\$.65) per 12 fluid ounces or
387 fractional part thereof of mixed spirit beverages taxes
388 remitted by wholesalers to the board shall be deposited by the
389 board to the State General Fund.

390 (2) Ten cents (\$.10) per 12 fluid ounces or fractional
391 part thereof of mixed spirit beverages taxes remitted by
392 wholesalers to the board shall be retained by the board for



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393 regulatory and administrative purposes.

394 (3) Fifteen cents (\$.15) per 12 fluid ounces or
395 fractional part thereof of mixed spirit beverages taxes
396 remitted by wholesalers to the board shall be remitted by
397 wholesalers and divided equally between the board and the
398 Alabama State Law Enforcement Agency to be retained by each
399 for purposes of enforcement.

400 (4) Eight cents (\$.08) per 12 fluid ounces or
401 fractional part thereof of mixed spirit beverages sold shall
402 be remitted by wholesalers either into the treasury of the
403 municipality in which the mixed spirit beverages were sold
404 within its corporate limits or, where sold outside the
405 corporate limits of any municipality, into the treasury of the
406 county in which the mixed spirit beverages were sold;
407 provided, where the taxes are timely paid to the county or
408 municipality, the tax due to the county or municipality shall
409 be discounted by two and one-half percent, which discount
410 shall be retained by the wholesaler for collecting the tax.

411 (d) Taxes exclusive. The taxes levied pursuant to this
412 section are exclusive and shall be in lieu of all other and
413 additional taxes and licenses of the state, county, or
414 municipality imposed on or measured by the sale or volume of
415 sale of mixed spirit beverages; provided, however, nothing
416 contained in this section shall be construed to exempt the
417 retail sale of mixed spirit beverages from the levy of tax on
418 general retail sales by the state, county, or municipality in
419 the nature of, or in lieu of, a general sales tax.

420 (e) Trade between wholesalers exempt. The taxes levied



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421 by subsection (a) shall not be imposed upon the sale, trade,
422 or barter of mixed spirit beverages by one licensed wholesaler
423 to another wholesaler licensed to sell and handle mixed spirit
424 beverages in this state, which transaction is hereby made
425 exempt from the tax; provided, however, the board may require
426 written reporting of any transaction in the form as the board
427 by rule may prescribe.

428 (f) County and municipal license fees. Each county and
429 municipality may fix a reasonable privilege or license fee on
430 retailer, importer, and wholesaler licensees, for the purpose
431 of covering the cost of administration with respect to the
432 sale of mixed spirit beverages, but not to generate revenue;
433 provided, however, a county or municipality may not levy a
434 license or privilege tax or other charge for the privilege of
435 doing business as a mixed spirit beverages retailer, importer,
436 or wholesaler which exceeds one-half the amount of the state
437 license fee.

438 Section 4. Section 28-3A-3, Code of Alabama 1975, is
439 amended to read as follows:

440 "§28-3A-3

441 (a) (1) Subject to this chapter and rules adopted
442 thereunder, the board may issue and renew licenses to
443 reputable and responsible persons for the following purposes:

444 ~~(1)~~ a. To manufacture, brew, distill, ferment, rectify,
445 bottle, or compound ~~any or all~~ alcoholic beverages within or
446 for sale within this state.

447 ~~(2)~~ b. To import ~~any or all~~ alcoholic beverages
448 manufactured outside the United States into this state or for



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449 sale or distribution within this state.

450 ~~(3)~~c. To distribute, wholesale, or act as jobber for
451 the sale of liquor.

452 ~~(4)~~d. To distribute, wholesale, or act as jobber for
453 the sale of table wine and beer or either of them, to licensed
454 retailers within the state and others within this state
455 lawfully authorized to sell table wine or beer.

456 ~~(5)~~e. To store or warehouse ~~any or all~~ alcoholic
457 beverages for transshipment inside and outside the state.

458 ~~(6)~~f. To sell and dispense at retail in a lounge,
459 liquor and other alcoholic beverages.

460 ~~(7)~~g. To sell and dispense at retail, in an
461 establishment habitually and principally used for the purpose
462 of providing meals for the public, liquor and other alcoholic
463 beverages for on-premises consumption.

464 ~~(8)~~h. To sell liquor and wine at retail for
465 off-premises consumption.

466 ~~(9)~~i. To sell and dispense at retail in a club, liquor
467 and other alcoholic beverages for on-premises consumption.

468 ~~(10)~~j. To sell table wine at retail for off-premises
469 consumption.

470 ~~(11)~~k. To sell table wine at retail for on-premises and
471 off-premises consumption.

472 ~~(12)~~l. To sell beer at retail for on-premises and
473 off-premises consumption.

474 ~~(13)~~m. To sell beer at retail for off-premises
475 consumption.

476 n. To sell mixed spirit beverages at retail for



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477 on-premises and off-premises consumption, provided that as a
478 condition to a license, the licensee, within one year of the
479 date of obtaining an initial license, shall participate in the
480 responsible vendor program.

481 o. To sell mixed spirit beverages at retail for
482 off-premises consumption.

483 ~~(14)~~p. To sell liquor and other alcoholic beverages at
484 retail by a retail common carrier with a passenger capacity of
485 at least 10 people.

486 ~~(15)~~q. To sell ~~any or all~~ alcoholic beverages at retail
487 under special license issued conditioned upon terms and
488 conditions and for the period of time prescribed by the board.

489 ~~(16)~~r. To sell ~~any or all~~ alcoholic beverages at retail
490 under a special event retail license issued for three days
491 upon the terms and conditions prescribed by the board.

492 ~~(2) Provided, however, that the~~ Notwithstanding
493 subdivision (1), licenses authorized under subdivision (1) may
494 not be issued in dry counties where traffic in alcoholic
495 beverages is not authorized by law, ~~therein~~ except a wine
496 manufacturer license may be issued in a dry county pursuant to
497 Section 28-7-10.1. Provided the restriction of this
498 ~~paragraph~~ subdivision shall not apply to the issuance of a
499 renewal of a license under ~~subdivisions (1), (2), (3), (4),~~
500 ~~and (5)~~ paragraphs (1)a., (1)b., (1)c., (1)d., or (1)e. where
501 the county or municipality was wet when the initial license
502 was issued and the county or municipality subsequently votes
503 dry; however, no importer or wholesaler licensee may sell or
504 distribute alcoholic beverages within a dry county, except in



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505 a wet municipality therein, or within a dry municipality.

506 (b) The board is granted discretionary powers in acting
507 upon license applications under the provisions of this
508 chapter.

509 (c) Licenses issued under this chapter, unless revoked
510 or suspended in the manner provided in this chapter, shall be
511 valid for the license year which shall begin on the first day
512 of October of each year, unless otherwise established by this
513 chapter or by the board. Licenses may be issued at any time
514 during the year."

515 Section 5. Sections 28-3A-9.1 and 28-3A-17.2 are added
516 to the Code of Alabama 1975, to read as follows:

517 §28-3A-9.1

518 (a) Upon payment of the applicable fee for a mixed
519 spirit beverage wholesaler license as established in Section
520 28-3A-21, the board shall issue to a wholesaler licensed to
521 distribute beer or table wine as provided in Section 28-3A-9 a
522 mixed spirit beverage wholesaler license.

523 (b) A mixed spirit beverage wholesale license shall
524 authorize the licensee to do all of the following:

525 (1) Import and receive shipments of mixed spirit
526 beverages from outside the state from licensed manufacturers.

527 (2) Purchase mixed spirit beverages from licensed
528 manufacturers or other licensed wholesalers within the state.

529 (3) Sell at wholesale or distribute mixed spirit
530 beverages to all licensees or other persons within this state
531 lawfully authorized to sell mixed spirit beverages within the
532 state.



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533 (4) Export mixed spirit beverages from the state.

534 (c) Sales to all authorized persons shall be in
535 original packages or containers as prepared for the market by
536 the manufacturer.

537 (d) No person shall sell at wholesale or distribute
538 mixed spirit beverages within this state or to licensees of
539 the board unless the person is issued by the board a
540 wholesaler license to distribute mixed spirit beverages.

541 §28-3A-17.2

542 (a) Upon payment of the limited mixed spirit beverage
543 expanded retail license fee as established in Section
544 28-3A-21, the board shall issue a limited mixed spirit
545 beverage expanded retail license to any person who holds and
546 possesses any of the following:

547 (1) A valid retail table wine license for on-premises
548 and off-premises consumption as provided for in Section
549 28-3A-14.

550 (2) A valid retail table wine license for off-premises
551 consumption as provided for in Section 28-3A-15.

552 (3) A valid retail beer license for on-premises and
553 off-premises consumption as provided for in Section 28-3A-16.

554 (4) A valid retail beer license for off-premises
555 consumption as provided for in Section 28-3A-17.

556 (b) Upon written request to the board and without
557 payment of any additional fee, the board shall issue a limited
558 mixed spirit beverage expanded retail license to any person
559 who holds and possesses any of the following:

560 (1) A valid lounge retail liquor license as provided



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561 for in Section 28-3A-11.

562 (2) A valid club liquor license as provided for in
563 Section 28-3A-12.

564 (3) A valid restaurant retail liquor license as
565 provided for in Section 28-3A-13.

566 (4) A special events retail license as provided for in
567 Section 28-3A-20.

568 (c) Each liquor store operated by the board for retail
569 sales only and not for sales to any person identified in
570 Section 28-3A-17.2(a) or 28-3A-17.2(b) shall be authorized to
571 purchase mixed spirit beverages from a licensed mixed spirit
572 beverage wholesaler and sell mixed spirit beverages at retail,
573 commensurate with the privileges granted to the liquor store
574 to sell other alcoholic beverages.

575 (d) A license issued under this section shall authorize
576 the licensee to purchase mixed spirit beverages from a
577 licensed mixed spirit beverage wholesaler and sell the mixed
578 spirit beverages at retail, commensurate with the privileges
579 granted to a licensee to sell at retail beer and table wine.

580 (e) The board shall retain all limited mixed spirit
581 beverage expanded retail licensing fees collected. The board
582 may use collected fees for regulatory and administrative
583 purposes as determined by the board, including for the
584 purposes of establishing and maintaining a cost of evidence
585 fund to assist in regulatory functions of the board.

586 (f) Upon payment of a limited mixed spirit expanded
587 retail license fee, there shall be no additional licensing or
588 administrative requirements, including no requirement for



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589 additional background checks, imposed by a municipality, a
590 county, or the state for licensees for the sale of mixed
591 spirit beverages.

592 Section 6. Sections 28-3A-21 and 28-3A-23, Code of
593 Alabama 1975, are amended to read as follows:

594 "§28-3A-21

595 (a) The following annual license fees are levied and
596 prescribed for licenses issued and renewed by the board
597 pursuant to the authority contained in this chapter:

598 (1) Manufacturer license, license fee of five hundred
599 dollars (\$500).

600 (2) Importer license, license fee of five hundred
601 dollars (\$500).

602 (3) Liquor wholesale license, license fee of five
603 hundred dollars (\$500).

604 (4) ~~Wholesaler~~ Beer wholesaler license, ~~beer~~-license
605 fee of five hundred fifty dollars (\$550) ~~or wine license fee~~
606 ~~of five hundred fifty dollars (\$550); license fee for beer and~~
607 ~~wine of seven hundred fifty dollars (\$750);~~ plus two hundred
608 dollars (\$200) for each warehouse in addition to the principal
609 warehouse.

610 (5) Wine wholesaler license, license fee of five
611 hundred fifty dollars (\$550) plus two hundred dollars (\$200)
612 for each warehouse in addition to the principal warehouse.

613 (6) Mixed spirit beverage wholesaler license, license
614 fee of five hundred fifty dollars (\$550) plus two hundred
615 dollars (\$200) for each warehouse in addition to the principal
616 warehouse.



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617 (7) Beer, wine, and mixed spirit beverage wholesaler
618 license, license fee of one thousand dollars (\$1,000) plus two
619 hundred dollars (\$200) for each warehouse in addition to the
620 principal warehouse.

621 ~~(5)~~ (8) Warehouse license, license fee of two hundred
622 dollars (\$200).

623 ~~(6)~~ (9) Lounge retail liquor license, license fee of
624 three hundred dollars (\$300).

625 ~~(7)~~ (10) Restaurant retail liquor license, license fee
626 of three hundred dollars (\$300).

627 ~~(8)~~ (11) Club liquor license, Class I license fee of
628 three hundred dollars (\$300), Class II license fee of seven
629 hundred fifty dollars (\$750).

630 ~~(9)~~ (12) Retail table wine license for off-premises
631 consumption, license fee of one hundred fifty dollars (\$150).

632 ~~(10)~~ (13) Retail table wine license for on-premises and
633 off-premises consumption, license fee of one hundred fifty
634 dollars (\$150).

635 ~~(11)~~ (14) Retail beer license for on-premises and
636 off-premises consumption, license fee of one hundred fifty
637 dollars (\$150).

638 ~~(12)~~ (15) Retail beer license for off-premises
639 consumption, license fee of one hundred fifty dollars (\$150).

640 ~~(13)~~ (16) Retail common carrier liquor license, license
641 fee of one hundred fifty dollars (\$150) for each railroad,
642 airline, bus line, ship line, vessel, or other common carrier
643 entity with a vehicle passenger capacity of at least 10
644 people.



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645 ~~(14)~~(17) Special retail license, license fee of one
646 hundred dollars (\$100) for 30 days or less; license fee of two
647 hundred fifty dollars (\$250) for more than 30 days.

648 ~~(15)~~(18) Special events retail license, license fee of
649 one hundred fifty dollars (\$150).

650 (19) Limited mixed spirit beverage expanded retail
651 license, license fee of five hundred dollars (\$500).

652 (b) The license fees levied and fixed by this section
653 shall be paid before the license is issued or renewed.

654 (c) In addition to the ~~foregoing~~ filing fee and license
655 taxes or fees, levied and fixed by this section, any county or
656 municipality in which the sale of alcoholic beverages is
657 permitted ~~shall be authorized to~~ may fix and levy privileges
658 or license taxes on any of the foregoing licenses located or
659 operated therein, conditioned on a permit or license being
660 issued by the board.

661 (d) No county or municipality shall have any authority
662 to levy a license or tax of any nature on any liquor store."

663 "§28-3A-23

664 (a) No license prescribed in this ~~code~~ chapter shall be
665 issued or renewed until the provisions of this ~~code~~ title have
666 been complied with and the filing and license fees other than
667 those levied by a municipality are paid to the board.

668 (b) Licenses shall be granted and issued by the board
669 only to reputable individuals, to associations whose members
670 are reputable individuals, or to reputable corporations
671 organized under the laws of this state or duly qualified
672 thereunder to do business in Alabama, or, in the case of



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673 manufacturers, duly registered under the laws of Alabama, and
674 then only when it appears that all officers and directors of
675 the corporation are reputable individuals.

676 (c) (1) In addition to all other requirements, an
677 applicant for a license under this section shall submit to the
678 board a form, sworn to by the applicant, providing written
679 consent from the applicant for the release of criminal history
680 background information. The form shall also require the
681 applicant's name, date of birth, and Social Security number
682 for completion of a criminal history background check.

683 (2) An applicant shall provide the board with two
684 complete functional sets of fingerprints, either cards or
685 electronic, properly executed by a criminal justice agency or
686 an individual properly trained in fingerprinting techniques.
687 The fingerprints and form shall be submitted by the board to
688 the State Bureau of Investigations, or any entity contracted
689 with, for the purposes of furnishing criminal background
690 checks. The State Bureau of Investigations or contracted
691 entity shall forward a copy of the applicant's prints to the
692 Federal Bureau of Investigation for a national criminal
693 background check. The applicant shall pay all costs associated
694 with the background checks required by this section.

695 (3) For purposes of this section, the term "applicant"
696 shall include every person who has any proprietary or profit
697 interest of 10 percent or more in the licensed establishment,
698 but shall not include any public corporation whose shares are
699 traded on a recognized stock exchange.

700 (4) The board shall keep information received pursuant



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701 to this section confidential, except that information received
702 and relied upon in denying the issuance of a license in this
703 state may be disclosed as may be necessary to support the
704 denial or when subpoenaed from a court.

705 (d) Every license issued under this ~~code~~chapter shall
706 be constantly and conspicuously displayed on the licensed
707 premises.

708 (e) Each retail liquor license application must be
709 approved by the governing authority of the municipality if the
710 retailer is located in a municipality, or by the county
711 commission if the retailer is located in the county and
712 outside the limits of the municipality, before the board shall
713 have authority to grant the license.

714 (f) Any retailer may be granted licenses to maintain,
715 operate, or conduct any number of places for the sale of
716 alcoholic beverages, but a separate license must be secured
717 for each place where alcoholic beverages are sold. No retail
718 license issued under this ~~code~~chapter shall be used for more
719 than one premises, nor for separate types of operation on the
720 same premises. Provided, however, any such licensed retail
721 operation existing on May 14, 2009, and operating based on
722 dual licenses, both a club or lounge license and a restaurant
723 license, on the same premises shall be exempt from the
724 requirement of the preceding sentence and may continue to
725 operate under such dual licenses. Any rule adopted by the
726 board relating to the requirements concerning dual licenses,
727 both a club or lounge license and a restaurant license, shall
728 not apply to any retail operation existing on May 14, 2009.



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729 The aforementioned rules shall include, but not be limited to,
730 the maintenance of separate books, separate entrances, and
731 separate inventories. Each premises must have a separate
732 retail license. Where more than one retail operation is
733 located within the same building, each operation under a
734 separate or different ownership is required to obtain a
735 separate retail license; and where more than one type of
736 retail operation located within the same building is operated
737 by the same licensee, the licensee must have a license for
738 each type of retail operation. Provided, there shall be no
739 licenses issued by the board for the sale of liquor, beer, or
740 wine by rolling stores.

741 (g) No retailer shall sell any alcoholic beverages for
742 consumption on the licensed premises except in a room or rooms
743 or place on the licensed premises at all times accessible to
744 the use and accommodation of the general public; but this
745 section shall not be interpreted to prevent a hotel or club
746 licensee from selling alcoholic beverages in any room of the
747 hotel or club house occupied by a bona fide registered guest
748 or member or private party entitled to purchase the same.

749 (h) All beer, except draft or keg beer, sold by
750 retailers must be sold or dispensed in bottles, cans, or other
751 containers not to exceed 25.4 ounces. All wine sold by
752 retailers for off-premises consumption must be sold or
753 dispensed in bottles or other containers in accordance with
754 the standards of fill specified in the then effective
755 standards of fill for wine prescribed by the U.S. Treasury
756 Department.



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757 (i) Draft or keg beer may be sold or dispensed within
758 this state within those counties in which and in the manner in
759 which the sale of draft or keg beer was authorized by law on
760 September 30, 1980, or in which the sale of draft or keg beer
761 is hereafter authorized by law. In rural communities with a
762 predominantly foreign population, after the payment of the tax
763 imposed by this title, draft or keg beer may be sold or
764 dispensed by special permit from the board, when, in the
765 judgment of the board, the use and consumption of draft or keg
766 beer is in accordance with the habit and customs of the people
767 of any such rural community. The board may grant to any civic
768 center authority or its franchisee or concessionaire, to which
769 the board may have issued or may simultaneously issue a retail
770 license under the provisions of this code, a revocable
771 temporary permit to sell or dispense in any part of its civic
772 center, for consumption therein, draft or keg beer. Either
773 such permit shall be promptly revoked by the board if, in its
774 judgment, the same tends to create intemperance or is
775 prejudicial to the welfare, health, peace, temperance, and
776 safety of the people of the community or of the state.

777 (j) No importer shall sell alcoholic beverages to any
778 person other than a wholesaler licensee, or sell to a
779 wholesaler licensee any brand or brands of alcoholic beverages
780 for sale or distribution in this state, except where the
781 importer has been granted written authorization from the
782 manufacturer thereof to import and sell the brand or brands to
783 be sold in this state, which authorization is on file with the
784 board.



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785 (k) No wholesaler shall maintain or operate any place
786 where sales are made other than that for which the wholesale
787 license is granted; provided, however, a wholesaler may be
788 licensed to sell and distribute liquor, wine, ~~and~~ beer, and
789 mixed spirit beverages. No wholesaler shall maintain any place
790 for the storage of liquor, wine, ~~or~~ beer, or mixed spirit
791 beverages unless the same has been approved by the board. No
792 wholesaler license shall be issued for any premises in any
793 part of which there is operated any retail license for the
794 sale of alcoholic beverages.

795 (l) Licenses issued under this ~~code~~ chapter may not be
796 assigned. The board may transfer any license from one person
797 to another, or from one place to another within the same
798 governing jurisdiction, or both, as the board may determine;
799 but no transfers shall be made to a person who would not have
800 been eligible to receive the license originally, nor for the
801 transaction of business at a place for which the license could
802 not originally have been issued lawfully.

803 (m) Every applicant for a transfer of a license shall
804 file a written application with the board within such time as
805 the board shall fix in its rules. Whenever any license is
806 transferred, there shall be collected a filing fee of fifty
807 dollars (\$50), to be paid to the board, and the board shall
808 pay the fee into the State Treasury to the credit of the Beer
809 Tax and License Fund of the board.

810 (n) In the event that any person to whom a license has
811 been issued under the terms of this ~~code~~ chapter becomes
812 insolvent, makes an assignment for the benefit of creditors,



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813 or is adjudicated as bankrupt by either voluntary or
814 involuntary action, the license of the person shall
815 immediately terminate and be cancelled without any action on
816 the part of the board, and there shall be no refund made, or
817 credit given, for the unused portion of the license fee for
818 the remainder of the license year for which the license was
819 granted. Thereafter, no license shall be issued by the board
820 for the premises, wherein the license was conducted, to any
821 assignee, committee, trustee, receiver, or successor of the
822 licensee until a hearing has been held by the board as in the
823 case of a new application for license. In all such cases, the
824 board shall have the sole and final discretion as to the
825 propriety of the issuance of a license for the premises,
826 including the time it shall issue⁷ and the period for which it
827 shall be issued, and shall have the further power to impose
828 conditions under which the licensed premises shall be
829 conducted."

830 Section 7. Mixed spirit beverages, as defined in
831 Section 28-3-1, Code of Alabama 1975, shall be marketed in a
832 responsible and appropriate manner. The Alcoholic Beverage
833 Control Board may exercise its discretion to deny labels it
834 considers objectionable. All labels must conform to rules of
835 the board regarding advertising, product placement, and
836 package warning signage. The board, on a case by case basis,
837 may require certain products that, as labeled, pose a risk of
838 misleading or deceiving the public to believe that the
839 products are non-alcoholic products, to be sold only at liquor
840 stores, as defined in Section 28-3-1, Code of Alabama 1975, or



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841 establishments that maintain a lounge retail liquor - Class I
842 or Class II license.

843 Section 8. Sections 28-10-4, 28-10-5, and 28-10-6, Code
844 of Alabama 1975, are amended to read as follows:

845 "§28-10-4

846 The ~~Alcoholic Beverage Control Board (the board)~~ board
847 shall establish ~~or cause to be established~~ a responsible
848 vendors program designed to encourage vendors and their
849 employees and customers to treat alcoholic beverages in a
850 responsible manner. The program must include, without
851 limitation, comprehensive instruction on the prevention of the
852 sale of alcoholic beverages to persons not of legal age."

853 "§28-10-5

854 (a) ~~A vendor who seeks to qualify as a responsible~~
855 ~~vendor must provide to the board, pursuant to procedures~~
856 ~~adopted by the board, evidence of compliance with the~~
857 ~~requirements of this chapter. Upon satisfactory proof that the~~
858 ~~vendor has complied with the requirements, the board shall~~
859 ~~certify the vendor as a responsible vendor.~~ Certification as a
860 responsible vendor shall be renewed annually.

861 (b) The board shall adopt rules ~~and regulations~~ for
862 monitoring compliance by certified vendors and for revoking or
863 suspending a vendor's certification for noncompliance with
864 this section. The board is hereby authorized to utilize ~~nonlaw~~
865 non law enforcement personnel to monitor and enforce
866 compliance with this section."

867 "§28-10-6

868 ~~In order to qualify for certification, the vendor shall~~



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869 ~~comply with the following requirements:~~

870 ~~(1) Provide a course of instruction for its employees~~
871 ~~approved by the board which~~

872 (a) The board shall provide for and administer a course
873 of instruction for employees of retail licensees who serve or
874 sell alcoholic beverages. The course shall be offered, at a
875 minimum, online and may also be offered in person. The course
876 shall be offered free of charge, and any in-person class shall
877 be offered at least two times per calendar year at a location
878 designated by the board. The course of instruction
879 administered by the board shall include subjects dealing with
880 alcoholic beverages ~~as follows~~ including all of the following:

881 ~~a.~~ (1) Laws regarding the sale of alcoholic beverages
882 for ~~on-the-premises consumption and/or for off-the-premises~~
883 on-premises or off-premises consumption; or both.

884 ~~b.~~ (2) Methods of recognizing and dealing with underage
885 customers; ~~and.~~

886 ~~c.~~ (3) The development of specific procedures for
887 refusing to sell alcoholic beverages to underage customers;
888 for assisting employees in dealing with underage customers;
889 and for dealing with intoxicated customers.

890 (b) The board shall certify as a responsible vendor any
891 retailer licensee that complies with all of the following:

892 ~~(2)~~ (1) Require each employee who is authorized to sell
893 or serve alcoholic beverages in the normal course of his or
894 her employment, within 30 days of commencing employment, to
895 complete the employee training course set out in ~~subdivision~~
896 ~~(1) hereof within 30 days of commencing employment;~~ subsection



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897 (a), demonstrated by a passing grade as determined by the
898 board by rule.

899 ~~(3)~~ (2) Require all such trained employees to attend
900 additional meetings at least semiannually or such other
901 schedule of meetings as may be approved by the board, which
902 meetings shall include the dissemination of existing and new
903 information covering the applicable subjects specified in this
904 section and explaining the vendor's policies and procedures
905 relating to those subjects~~;~~.

906 ~~(4)~~ (3) Maintain employment records of the training of
907 its employees required by this section~~;~~ and.

908 ~~(5)~~ (4) Post signs on the vendor's premises informing
909 customers of the vendor's policy against selling alcoholic
910 beverages to underaged persons."

911 Section 9. If any provision of this act, or its
912 application to any person or circumstance, is determined by a
913 court to be invalid or unconstitutional, that provision shall
914 be stricken and the remaining provisions shall be construed in
915 accordance with the intent of the Legislature to further limit
916 rather than expand commerce in alcoholic beverages, including
917 by prohibiting any commerce in alcoholic beverages not
918 expressly authorized, and to enhance strict regulatory control
919 over taxation, distribution, and sale of alcoholic beverages
920 through the existing uniform system of regulation of alcoholic
921 beverages.

922 Section 10. This act shall become effective April 1,
923 2024, following its passage and approval by the Governor, or
924 its otherwise becoming law.