

SB312 INTRODUCED



1 SB312
2 XDQIS77-1
3 By Senators Smitherman, Bell
4 RFD: Fiscal Responsibility and Economic Development
5 First Read: 08-Apr-25



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SYNOPSIS:

This bill would allow an entity that serves alcoholic beverages under Alcoholic Beverage Control Board licenses that allow service at events for a limited period of time to store the beverages in a permanent facility for transfer to event locations. Under this license, unconsumed beverages would be required to be returned to the storage facility for subsequent transfer to another licensed event.

This bill would also create a new license for state or local governmental entities to serve alcoholic beverages on a limited basis on property which they own or lease, such as concert venues, exhibition halls, historic properties, or parks.

This bill would also set fees for the licenses.

A BILL
TO BE ENTITLED
AN ACT

Relating to alcoholic beverages; to add Section 28-3A-19.2 to the Code of Alabama 1975, to require the Alcoholic Beverage Control Board to issue a license to dispense alcoholic beverages on an occasional basis on



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29 property controlled by the state or a political subdivision;
30 to add Chapter 3B to Title 28, Code of Alabama 1975, to
31 require the Alcoholic Beverage Control Board to issue a
32 license to store alcoholic beverages in a facility for
33 transfer to locations also licensed by the board for special
34 events; to amend Sections 28-3A-19 and 28-3A-20 to make
35 conforming changes; and to amend Section 28-3A-21, Code of
36 Alabama 1975, to set license fees.

37 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

38 Section 1. Section 28-3A-19.2 is added to the Code of
39 Alabama 1975, to read as follows:

40 §28-3A-19.2

41 (a) Upon payment of the government venue license fee
42 as established in Section 28-3A-21, the board shall issue a
43 government venue license to any department or agency of this
44 state, or any political subdivision of the same, permitting
45 the licensee to store and dispense alcoholic beverages for
46 on-premises consumption in a wet county.

47 (b) The government venue license is a special retail
48 license, and storage and dispensing of alcoholic beverages
49 shall be restricted to an occasional use basis. For the
50 purposes of this section, "occasional use basis" refers to a
51 location where alcoholic beverages are dispensed at individual
52 events that may be open to the public or restricted to private
53 parties. The term excludes locations where alcoholic beverages
54 are dispensed to the public during continual business hours on
55 a regular daily or weekly schedule.

56 (c) The location where alcoholic beverages are stored



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57 and dispensed must be on property owned by the state or a
58 political subdivision, or leased by the state or a political
59 subdivision for a term of no less than three years, and may
60 include, but not be limited to, civic centers, community event
61 spaces, concert centers, amphitheaters, music halls,
62 convention centers, exhibition halls, stadiums, sports
63 complexes, historic properties, parks, fairgrounds, or other
64 outdoor spaces.

65 (d) The government venue license shall be issued for a
66 period not to exceed one year.

67 (e) Any holder of a special retail license which is a
68 department or agency of the state, or a political subdivision
69 of the same, may convert the special retail license to a
70 government venue license no later than September 30, 2026.

71 Section 2. Chapter 3B, commencing with Section
72 28-3B-1, is added to Title 28, Code of Alabama 1975, to read
73 as follows:

Chapter 3B

§28-3B-1

The Legislature finds the following:

77 (1) This chapter is enacted pursuant to the authority
78 granted to the state under the Twenty-First Amendment to the
79 United States Constitution, the powers reserved to the state
80 under the Tenth Amendment to the United States Constitution,
81 and the inherent powers of the state under the Constitution of
82 Alabama of 2022, in order to regulate the traffic of alcoholic
83 beverages and to substitute the regulations and oversight
84 established in this chapter for the application of federal and



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85 state antitrust laws that otherwise would apply to any
86 potential anti-competitive effects of this title. For the
87 avoidance of doubt, the intent of the Legislature is to
88 maintain the uniform three-tier system of control over the
89 sale, purchase, taxation, transportation, manufacture,
90 consumption, and possession of alcoholic beverages in the
91 state to promote the health, safety, and welfare of residents
92 of this state by ensuring, among other purposes, the state
93 shall be able to register, audit, inspect, seize, recall, and
94 test alcoholic beverages shipped into, distributed, and sold
95 throughout this state; and this expression of the policy and
96 intent of the Legislature is intended to satisfy the clear
97 articulation test for state action immunity as has been
98 established by the United States Supreme Court in California
99 Retail Liquor Dealers Assn. v. Midcal Aluminum, Inc., et al.

100 (2) This chapter establishes a structured framework for
101 certain licensees to store and serve alcoholic beverages for
102 special events under public or private sponsorship.

103 §28-3B-2

104 For purposes of this chapter, the following terms have
105 the following meanings:

106 (1) ELIGIBLE ENTITY. A holder of a government venue
107 license, or an entity that has been granted by the board at
108 least three of any of the following licenses within the 12
109 months preceding application for an event storage license:

- 110 a. Special events retail license of 7 days or less.
- 111 b. Non-profit special events retail license.
- 112 c. Special retail license of 30 days or less.



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113 (2) LICENSE TYPE. The term refers to an event storage
114 license, or any occasional use license.

115 (3) OCCASIONAL USE LICENSE. The term includes all of
116 the following licenses issued by the board:

117 a. Government venue license.

118 b. Special events retail license of seven days or less.

119 c. Nonprofit special events retail license.

120 d. Special retail license of 30 days or less.

121 §28-3B-3

122 Upon payment of the event storage license fee as
123 established in Section 28-3A-21, the board shall issue an
124 event storage license to an eligible entity to store alcoholic
125 beverages at a storage facility and transfer the alcoholic
126 beverages to another location under an occasional use license
127 in compliance with this chapter.

128 §28-3B-4

129 (a) Storage of alcoholic beverages at a designated
130 storage facility under an event storage license shall be
131 restricted to transfer to any location permitted under an
132 occasional use license.

133 (b) An applicant for an event storage license shall
134 disclose on the application the specific occasional use
135 license each storage facility under the event storage license
136 is intended to service.

137 (c) The license issued under this chapter shall be for
138 a period of one year.

139 §28-3B-5

140 (a) Up to three storage facilities may be designated



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141 under a single event storage license, each of which shall be
142 at least 100 miles apart within the State of Alabama.

143 (b) A storage facility shall comply with all of the
144 following requirements:

145 (1) Be an enclosed, secure structure under lock when
146 not in use.

147 (2) Have an access control system to restrict and
148 monitor entry.

149 (3) Afford a temperature-controlled environment
150 appropriate for each kind of alcoholic beverage that may be
151 stored.

152 (4) May not be a board-licensed warehouse.

153 (5) May not be a unit in a commercial storage facility.

154 (6) Comply with local zoning and building codes.

155 §28-3B-6

156 (a) Alcoholic beverages to be stored under an event
157 storage license, in the case of beer or wine, shall be
158 purchased from a wholesaler, and in the case of liquor, shall
159 be purchased directly from the board on a wholesale basis.

160 (b) Alcoholic beverages purchased by an event storage
161 license holder may be transferred immediately upon purchase to
162 a location under an occasional use license for dispensing but
163 shall be returned from that location to a storage facility.

164 (c) Once alcoholic beverages are received in a storage
165 facility, after subsequent transfer to a location under an
166 occasional use license for dispensing, any unused portion
167 shall be returned to the same storage facility before transfer
168 to another location under a different occasional use license.



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169 §28-3B-7

170 (a) An event storage license holder shall document each
171 purchase of alcoholic beverages on a form to be prescribed by
172 the board, which shall include, but not be limited to, the
173 following information:

174 (1) The name under which the event storage license is
175 issued.

176 (2) The event storage license number.

177 (3) The date of the purchase.

178 (4) The type of alcoholic beverage, the brand name, and
179 the quantity.

180 (5) The initial destination of the alcoholic beverages
181 purchased, identified by the location, license type, and
182 number.

183 (6) If the initial destination of the alcoholic
184 beverages purchased is the location of an occasional use
185 license, the event storage license holder shall identify the
186 storage facility to which any remaining alcoholic beverages
187 are transferred, which shall be documented as a transfer
188 pursuant to subsection (b).

189 (7) Signed certification that the purchase is in
190 compliance with board rules.

191 (b) An event storage license holder shall document each
192 transfer of alcoholic beverages on a form to be prescribed by
193 the board, which shall include, but not be limited to, the
194 following information:

195 (1) The name under which the event storage license is
196 issued.



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197 (2) The event storage license number.

198 (3) The date of the transfer.

199 (4) The type of alcoholic beverage, the brand name, and
200 the quantity.

201 (5) The origin of the transfer, identified by the
202 location, license type, and number.

203 (6) The destination of the transfer, identified by
204 location, license type, and number.

205 (7) Signed certification that the transfer is in
206 compliance with board rules.

207 §28-3B-8

208 (a) Any applicant for, or holder of, an event storage
209 license, authorizes all of the following:

210 (1) Board personnel or law enforcement officers with
211 jurisdiction to enter a storage facility and observe
212 operations and to make a warrantless search for the purpose of
213 enforcing this title and the rules of the board.

214 (2) Board personnel to examine and inspect equipment,
215 inventory, invoices, receipts, books, records, and related
216 papers, and to make copies of the same.

217 (3) For the purposes of this section, "storage
218 facility" includes any adjoining or adjacent structure
219 occupied by the license holder, including a private dwelling.

220 (b) (1) An event storage license holder shall retain all
221 documentation relating to alcoholic beverage purchases and
222 transfers for a minimum of three years after the date of the
223 purchase or transfer.

224 (2) All purchase and transfer records may be maintained



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225 in an electronic format so long as the records may be promptly
226 provided in a readable format upon request by the board.

227 (c) (1) The board may inspect and audit an event storage
228 license holder's records on any weekday that is not a federal
229 or state holiday between 8:00 a.m. and 5:00 p.m., or as
230 otherwise scheduled by mutual agreement.

231 (2) If an inspection or audit is attempted and a
232 storage facility is closed, upon notice, the license holder
233 shall make the storage facility available for inspection or
234 audit within 48 hours plus the next available weekday that is
235 not a federal or state holiday.

236 (d) (1) If a discrepancy is discovered during an
237 inspection or audit, the board may issue a compliance warning,
238 require immediate corrective action, or issue a citation.

239 (2) Reoccurring discrepancies discovered by audit or
240 inspection may be considered a violation pursuant to rules
241 adopted by the board.

242 (3) The board may assess a civil fine of no more than
243 one thousand dollars (\$1,000) for each occurrence that is a
244 violation of this chapter and may revoke the license.

245 §28-3B-9

246 The board shall adopt rules and develop forms to
247 implement and enforce this chapter.

248 Section 3. Sections 28-3A-19, 28-3A-20, and 28-3A-21,
249 Code of Alabama 1975, are amended to read as follows:

250 "§28-3A-19

251 (a) Upon an applicant's compliance with ~~the provisions~~
252 ~~of~~ this chapter and the ~~regulations made~~ rules adopted



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253 thereunder, the board shall issue a special retail license in
254 wet counties for a state park, racing commission, fair
255 authority, airport authority, or civic center authority, or
256 the franchises or concessionaire of ~~such~~the park, commission,
257 or authority, ~~and may~~, in its discretion, may issue a special
258 retail license to any other ~~valid~~-responsible organization ~~of~~
259 ~~good reputation~~ for ~~such~~a period of time not to exceed one
260 year ~~and~~ upon ~~such~~ terms and conditions as the board shall
261 prescribe, ~~which will~~The license shall authorize the licensee
262 to purchase, where ~~the~~ retail sale ~~thereof~~ is authorized by
263 the board, liquor and wine from the board or as authorized by
264 the board and table wine and beer from any wholesale licensee
265 of the board, and to sell at retail and dispense ~~such~~the
266 alcoholic beverages ~~as are authorized by the board at such~~ at
267 locations authorized by the ~~board~~license upon ~~such~~ terms and
268 conditions ~~as~~ prescribed by the board. ~~Provided, however, no~~
269 No sale of alcoholic beverages shall be permitted on any
270 Sunday after the hour of 2:00 ~~A.M.~~A.m.

271 (b) With respect to an application for a license under
272 this section not to exceed 30 days, the applicant shall
273 indicate if the alcoholic beverages to be dispensed will be
274 received from, and returned to, a storage facility under an
275 event storage license as provided under Chapter 3B."

276 "§28-3A-20

277 (a) Upon an applicant's compliance with this chapter
278 and the ~~regulations made~~rules adopted thereunder, and upon
279 application ~~made on a form provided by the board~~ at least 25
280 days in advance of the event for which a license is



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281 ~~granted~~sought, the board shall issue a special events retail
282 license ~~for a valid,~~to a responsible organization ~~of good~~
283 ~~reputation,~~ for a period not to exceed seven days, ~~and~~ upon
284 ~~such~~ terms and conditions as the board may prescribe. The
285 license shall authorize the licensee to purchase, where ~~the~~
286 retail sale ~~thereof~~ is authorized by the board, liquor and
287 wine from the board or as authorized by the board and table
288 wine and beer from any wholesale licensee of the board, and to
289 sell at retail and dispense ~~such~~the alcoholic beverages ~~as are~~
290 ~~authorized by the board to the patrons, guests, or members of~~
291 ~~the organization~~ at ~~such~~the locations ~~or areas~~ as shall be
292 authorized by the ~~board~~license upon ~~such~~the terms and
293 conditions ~~as~~ prescribed by the board. No sale of alcoholic
294 beverages shall be permitted on any Sunday after the hour of
295 2:00 A.M.

296 (b) With respect to an application for a license under
297 this section, the applicant shall indicate if the alcoholic
298 beverages to be dispensed will be received from, and returned
299 to, a storage facility under an event storage license as
300 provided under Chapter 3B."

301 "§28-3A-21

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

305 (1) Manufacturer license, license fee of five hundred
306 dollars (\$500).

307 (2) Importer license, license fee of five hundred
308 dollars (\$500).



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309 (3) Liquor ~~wholesale~~wholesaler license, license fee of
310 five hundred dollars (\$500).

311 (4) ~~Wholesaler~~Beer wholesaler license, ~~beer~~ license fee
312 of five hundred fifty dollars (\$550) ~~or wine license fee of~~
313 ~~five hundred fifty dollars (\$550); license fee for beer and~~
314 ~~wine of seven hundred fifty dollars (\$750);~~ plus two hundred
315 dollars (\$200) for each warehouse in addition to the principal
316 warehouse.

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

320 (6) Warehouse license, license fee of two hundred
321 dollars (\$200).

322 ~~(6)~~ (7) Lounge retail liquor license, license fee of
323 three hundred dollars (\$300).

324 ~~(7)~~ (8) Restaurant retail liquor license, license fee of
325 three hundred dollars (\$300).

326 ~~(8)~~ (9) Club liquor license, Class I license fee of
327 three hundred dollars (\$300), Class II license fee of seven
328 hundred fifty dollars (\$750).

329 ~~(9)~~ (10) Retail table wine license for off-premises
330 consumption, license fee of one hundred fifty dollars (\$150).

331 ~~(10)~~ (11) Retail table wine license for on-premises and
332 off-premises consumption, license fee of one hundred fifty
333 dollars (\$150).

334 ~~(11)~~ (12) Retail beer license for on-premises and
335 off-premises consumption, license fee of one hundred fifty
336 dollars (\$150).



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337 ~~(12)~~ (13) Retail beer license for off-premises
338 consumption, license fee of one hundred fifty dollars (\$150).

339 ~~(13)~~ (14) Retail common carrier liquor license, license
340 fee of one hundred fifty dollars (\$150) for each railroad,
341 airline, bus line, ship line, vessel, or other common carrier
342 entity with a vehicle passenger capacity of at least 10
343 people.

344 ~~(14)~~ (15) Special retail license, license fee of one
345 hundred dollars (\$100) for 30 days or less; license fee of two
346 hundred fifty dollars (\$250) for more than 30 days.

347 ~~(15)~~ (16) Special events retail license, license fee of
348 one hundred fifty dollars (\$150).

349 (17) Government venue license, license fee of two
350 hundred fifty dollars (\$250).

351 (18) Event storage license, license fee of five hundred
352 fifty dollars (\$550).

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

355 (c) In addition to the foregoing filing fee and license
356 taxes or fees, any county or municipality in which the sale of
357 alcoholic beverages is permitted shall be authorized to fix
358 and levy privileges or license taxes on any of the foregoing
359 licenses located or operated therein, conditioned on a permit
360 or license being issued by the board.

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

363 Section 4. This act shall become effective on October
364 1, 2025.