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3 SENATE TOURISM & MARKETING COMMITTEE SUBSTITUTE TO SB62
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8 SYNOPSIS:

9 Existing Alabama law does not authorize
10 certain cities or townships to create entertainment
11 districts for the sale and consumption of alcoholic
12 beverages.

13 This bill would authorize the governing body
14 of a Class 8 municipality that is not in a county
15 with a Class 2 municipality and that abuts or spans
16 the Intracoastal Waterway and abuts the Gulf of
17 Mexico and that has an incorporated arts council,
18 main street program, or downtown development entity
19 to establish three entertainment districts within
20 its corporate limits.

21 This bill would also require a licensee in
22 an entertainment district in a Class 8 municipality
23 in a county with a Class 2 municipality to possess
24 legal control over property within its premises.
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26 A BILL
27 TO BE ENTITLED

1 AN ACT

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3 Relating to entertainment districts; to amend
4 Section 28-3A-17.1, Code of Alabama 1975, as last amended by
5 Act 2019-468, 2019 Regular Session, to authorize the governing
6 body of certain municipalities to establish three
7 entertainment districts within its corporate limits that meet
8 certain qualifications; and and to further provide for
9 entertainment districts in Class 8 municipalities in a county
10 with a Class 2 municipality.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. The Legislature declares that this act
13 regulates the liquor traffic within the meaning and intent of
14 Section 104 of the Constitution of Alabama of 1901.

15 Section 2. Section 28-3A-17.1, Code of Alabama 1975,
16 as last amended by Act 2019-468, 2019 Regular Session, is
17 amended to read as follows:

18 "§28-3A-17.1.

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

1 "(2) A licensee who receives an entertainment
2 district designation under this subsection shall comply with
3 all laws and rules governing its license type, except that the
4 patrons, guests, or members of that licensee may exit that
5 licensed premises with open containers of alcoholic beverages
6 and consume alcoholic beverages anywhere within the confines
7 of the entertainment district, which shall be permitted, but
8 may not enter another licensed premises with open containers
9 or closed containers of alcoholic beverages acquired
10 elsewhere.

11 "(3) The permission granted by this subsection
12 permitting the consumption of alcoholic beverages anywhere
13 within the confines of the entertainment district shall not
14 extend the confines of the licensed premises.

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

24 "(c) The governing body of a Class 1 municipality,
25 Class 2 municipality, Class 3 municipality, Class 4
26 municipality, or any municipality that is located 15 miles
27 north of the Gulf of Mexico, may establish up to five

1 entertainment districts within the corporate limits, each of
2 which must have not fewer than four licensees holding a
3 manufacturer's license that conducts tastings or samplings on
4 the licensed premises, a restaurant retail liquor license, an
5 on-premises alcoholic beverage license, or other retail liquor
6 license in that area, and each district may not exceed
7 one-half mile by one-half mile in area, but may be irregularly
8 shaped.

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

16 "(e) For the purposes of subsection (c), the term
17 on-premises as applied to consumption within the entertainment
18 district shall include anywhere within the district,
19 regardless of the terms and conditions of licensure.

20 "(f) In a Class 2 municipality, the licensed
21 premises in an entertainment district of a holder of a retail
22 liquor license shall include the area on a municipal sidewalk
23 or deck immediately adjacent or connected to the premises and,
24 during special events, directly outside the entrance to the
25 premises.

26 "(g) (1) The governing body of a Class 8 municipality
27 that is located in a county with a Class 2 municipality and is

1 primarily located on an island may establish three
2 entertainment districts within its corporate limits. One
3 district must have no fewer than two licensees holding a
4 retail liquor license in a business or commercial area; one
5 district may be established in a business or commercial area
6 at times when special events are held as designated by the
7 governing body; and one district may be established on
8 property owned by the Dauphin Island Property Owners
9 Association and known as the Isle Dauphine Complex. Each
10 district may not exceed one-half mile by one-half mile in
11 area, but may be irregularly shaped.

12 ~~"(1) For purposes of this subsection, the term~~
13 ~~on-premises as applied to consumption within the entertainment~~
14 ~~district shall include anywhere within the district,~~
15 ~~regardless of the terms or conditions of licensure.~~

16 "(2) For purposes of this subsection, with the
17 approval of the local governing body and the Alabama Alcoholic
18 Beverage Control Board, the licensed premises in an
19 entertainment district of a holder of a retail liquor license
20 shall include the area on a deck, boardwalk, or municipal
21 sidewalk immediately adjacent or connected to the premises
22 and, during special events, directly outside the entrance to
23 the premises. The licensee must possess legal control over all
24 property that is included in the premises licensed by the
25 board.

26 "(h) (1) The governing body of a Class 8 municipality
27 that meets all of the following qualifications may establish

1 three entertainment districts within its corporate limits,
2 provided that each district has no fewer than four licensees
3 holding a retail liquor license in that area, and each
4 district does not exceed one-half mile by one-half mile in
5 area, but may be irregularly shaped:

6 "a. The municipality is not in a county with a Class
7 2 municipality.

8 "b. The municipality abuts or spans the Intracoastal
9 Waterway and abuts the Gulf of Mexico.

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

12 "(2) For purposes of this subsection, the term
13 on-premises as applied to consumption within the entertainment
14 district shall include anywhere within the district regardless
15 of the terms or conditions of licensure.

16 "(3) For purposes of this subsection, with the
17 approval of the local governing body and the Alabama Alcoholic
18 Beverage Control Board, the licensed premises in an
19 entertainment district of a holder of a retail liquor license
20 shall include the area on a deck, boardwalk, or municipal
21 sidewalk immediately adjacent or connected to the premises
22 and, during special events, directly adjacent to the entrance
23 of the premises. The licensee must possess legal control over
24 all property that is included in the premises licensed by the
25 board.

26 ~~(h)~~ (i) All laws or parts of laws which conflict
27 with this section are repealed. All general, local, and

1 special laws or parts of such laws insofar as they designate
2 or restrict the boundaries, size, or area of such
3 entertainment districts are hereby repealed."

4 Section 3. This act shall become effective
5 immediately following its passage and approval by the
6 Governor, or its otherwise becoming law.